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**Meeting:** Sustainable Communities Overview and Scrutiny Committee

**Date:** 13 December 2011

**Subject:** Fees and Charges 2012/13

**Report of:** Cllr Maurice Jones , Deputy Leader and Executive Member for Corporate Resources

**Summary:** The report proposes the revised fees and charges rates to be effective from 1 April 2012 and identifies those charges where increases are different from the 2% advisory increase as per the 2012/13 Budget Strategy.

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**Advising Officer:** John Unsworth, Assistant Chief Executive - Resources.

**Contact Officer:** Charles Warboys, Chief Finance Officer

**Public/Exempt:** Public

**Wards Affected:** All

**Function of:** Council

## **CORPORATE IMPLICATIONS**

### **Council Priorities:**

1. The annual review and setting of the Council's Fees and Charges are integral to the Council's Budget Strategy and the legal requirement to deliver a balanced budget. The review ensures a rigorous, responsible and realistic approach is taken to determine the appropriateness and relevance of the Council's schedule of fees and charges. Setting a balanced budget ensures the Council allocates its resources to deliver the priorities. These are:
  - Supporting and caring for an ageing population
  - Educating, protecting and providing opportunities for children and young people
  - Managing growth effectively
  - Creating safer communities
  - Promoting healthier lifestyles.

### **Financial:**

2. The financial implications are set out in the report.

### **Legal:**

3. The Council has various powers to charge for aspects of the services it provides. The general rule is that when it is carrying out a statutory duty the Council can only make a charge where there is specific power to do so.

Section 93 of the Local government Act 2003 provides that when the Council is providing a discretionary service, it may charge for the service, provided the person receiving the service has agreed to its provision. Overall the income from such charges must not exceed the cost of the provision.

**Risk Management:**

4. Risks relating to service take-up and organisational reputation can be associated with increases to fees and charges that are perceived to be 'comparatively' high. The key risks are:

- Subject to the level of increase (and in view of the current financial climate), services might become unaffordable to some members of the community, which may impact take-up and therefore overall income levels. This may also impact on the Council's reputation.

- Those paying fees and charges may perceive that a higher than expected increase on any given area will be used to cross-subsidise increased costs of other service areas arising from government budget cuts, and not to cover the direct cost of the service they receive. This again may present a reputational risk.

- Services subject to significant increases in fees might attract unfavourable media attention, which again could result in reputational damage to the Council.

**Staffing (including Trades Unions):**

5. Not applicable.

**Equalities/Human Rights:**

6. In developing the budget the Council must ensure that decisions were made in such a way as to minimise unfairness, and that there was not a disproportionately negative effect on people from different ethnic groups, disabled people, and men and women.

7. The statutory equality duties must be exercised in substance, with rigour and an open mind. To ensure that the Council have complied with the equality duties and that any decision made does not unfairly discriminate, they should:
- carry out robust equality impact assessments and consult and involve relevant stakeholders as part of the decision-making process
  - Consider all relevant, available information in order to anticipate any likely negative impact and to seek to avoid that negative impact by taking alternative courses of action wherever possible.
  - Keep an adequate record showing that they had actually considered their equality duties and pondered relevant questions.
  - Be rigorous in both inquiring and reporting to Members the outcome of the assessment and the legal duties. When decisions are made, decision makers must have the relevant data, including the results of equality impact assessment, and of consultation and involvement, to ensure they reach an informed decision.

Any changes to the Council's Budget as a result of this report will result in further equality impact assessments being undertaken as necessary.

**Community Safety:**

8. Not applicable.

**Sustainability:**

9. Not applicable.

**Procurement:**

10. Not applicable.

**RECOMMENDATION(S):**

**The Committee is asked to:-**

- 1. Consider the report and schedule of proposed fees and charges and comment as necessary to the Executive**

**Background**

11. *The Council's Charging Policy states that 'All fees and charges will be reviewed annually and adjusted as necessary in line with [the Council's charging] policy. The Chief Finance Officer will provide services with guidance each year as to the maximum inflation rate that may be applied.'*

12. Additionally, it also states that '*All fees and charges should be reviewed on a more fundamental basis at least every 3 years, where it will be necessary to examine all the factors set out below in accordance with good practice guidance i.e. the CIPFA Practical Guide for Local Authorities on Income Generation (Fully revised 2008).*' This was undertaken in 2011/12 with the Revenue Income Optimisation Project where successful business cases were integrated into the fees and charges as agreed by Council in February 2011 and published thereafter.

13. In accordance with the policy, the Chief Finance Officer has advised that the minimum inflation rate to be applied in line with the Corporate Budget Strategy is 2% which is below the latest reported Retail Price Index. Where there have been variations from this advisory level these have been identified separately in this report.

### **General 2% increase**

14. For the majority of services there will be a 2% increase for 2011/12. There are instances where this is not practically possible and these are highlighted in the following paragraphs.

15. Social Care Health and Housing

Adult Social Care charges have been increased by 2% in line with the Council's budget strategy. It is usual practice to increase these charges in line with the DWP statutory increase in benefits and pensions. The DWP inflator will not be known until January/February and the charges will be reviewed again at that time.

16. In Housing services, the charges in respect of Bed and Breakfast Accommodation have not been fully recouping the Bed and Breakfast rental cost which is equivalent to the Local Housing Allowance minus 10%. It is therefore proposed to change this charge accordingly.

17. In accordance with the HRA Budget Report Traveller site pitch fees are proposed to be increased in line with the average increase in tenants' rents.

New charges introduced for 2012/13 include:

- 18.
- Bed and Breakfast Management Fee which is limited by Housing Benefit payments;
  - TV, communal and window cleaning in homeless hostels;
  - Telecare as per the report to Adult Services Overview and Scrutiny in December and Executive in January; and
  - The fee for issue of blue badges following a new national scheme to produce the badges.

19. Sustainable Communities

Key Changes include:

Parking

Off street parking charges, permit charges, dispensations and visitor tickets – it is proposed that these remain the same as last year as further consideration will be given to charges with the development of the Parking Strategy.

20. Rights of Way

Charge for a 'Certified True Copy of a Definitive Map' – this is where a 'certified' copy of a legal map showing rights of way is requested. Significant increases are proposed which is a move towards full cost recovery and the level of charging made by adjacent authorities.

21. Libraries

- Room Hire Charges – it is proposed that the room hire charges at Houghton Regis library should be the same as the (lower) hourly rate for 'other libraries' as there is less space available than at Leighton Buzzard and Flitwick libraries where the higher rate is applied.
- Standard, Concessions and Children's Fines: These have all been revised to take into account feedback from the library consultation. A formula has been applied to obtain the maximum charge (after 5 weeks) which is the daily rate based on 6 opening days per week x 30 days. A maximum is set to ensure the books are returned.

22. Planning

- Section 38 Agreements (technical audit, administration and supervision – percentage based on estimated cost of works after agreement) – it is proposed for the charge to remain the same as last year. These fees are a percentage of highway works costs and as such increase with the construction price index. These percentages were increased substantially in 2010/11, from 7.5% to 8.5% i.e. a 13% increase in our charge to developers.
- Planning pre-application advice - charges have been agreed and will be introduced from 1st February 2012. The same charges will apply in 2012/13.

23. Leighton Buzzard Theatre

- Room & Auditorium Hire - The current Fees and Charges at Leighton Buzzard Theatre have been rationalised to make them much easier for hirers to understand and for staff to apply. They have also been benchmarked against similar venues to ensure competitiveness in the market place.
- Technical Support – The charges for Technical support have been stripped out of auditorium hire and will be charged for separately for every booking and applied on a hirers / venue needs basis.

24. Corporate Resources

There are a number of services where it is proposed not to increase the fees for 2012/13. These include the Registrar's Service, the Coroners Service, Local Land Charges and advertising in News Central.

25. The Registrar's Service is provided via a joint Service Level Agreement with Bedford Borough Council and fees were reviewed and raised in 2011/12 based on full cost recovery. The reduction in overheads since then makes an increase inappropriate. Full cost recovery will be maintained and there will be no impact on the budget.

26. Local Land Charges are required by a statutory instrument to be non profit making and the current set fees are at an appropriate level to comply with this.

27. Charges for Freedom of Information (FOI) requests that require more than 18 hours to complete are subject to the FOI Act Fees Regulations where the charge can be no more than £25 per hour.

28. Legal services charges have been re-assessed to be more in line with the true costs of the service.

**Fees and Charges Schedule**

29. The full revised schedule is shown at Appendix A.

**Appendices:**

Appendix A – Fees and Charges Schedule

**Background papers and their location:** (open to public inspection)

None