

Central Bedfordshire Council

EXECUTIVE

9 October 2018

Fees and Charges 2019

Report of: Richard Wenham, Deputy Leader and Executive member for Corporate Resources
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This report relates to a decision that is Non-Key

Purpose of this report

This report requests approval of the revised Fees and Charges for 2019.

RECOMMENDATIONS

The Executive is asked to consider and recommend to Council:

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| 1. | approve the pricing schedule and the inflationary rate to be applied (where applicable) for January 2019 Fees & Charges (Appendices C to K); and |
| 2. | to note and comment on the Fees & Charges analysis (Appendices A & B) |

Overview and Scrutiny Comments/Recommendations

This report was considered by the Corporate Resources Overview & Scrutiny Committee on the 20 September 2018. The Committee recommended that the Fees and Charges for 2019 be recommended to the Executive for approval.

Issues

Background

1. Fees & Charges (F&C) are subject to an annual review and any proposed increase to prices are subject to Council approval.

2. Fees & Charges price changes are due for implementation on the 1st January each year for most services, although some remain at 1st April (for example services to Schools/Academies, most of Adult Social Care and Housing) or as advised for statutory services.
3. To achieve a 1st January 2019 implementation date, the F&C will need to be presented to September 2018 Corporate Resources Overview & Scrutiny Committee, the October 2018 Executive and the November 2018 Council meeting.
4. The F&C Policy states that:
 - All fees and charges will be reviewed annually and adjusted as necessary in line with this policy. The Director of Resources will provide services with guidance each year as to the general inflation rate that may be applied.
 - All F&C 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 2015). This is so that Members may make informed choices on any revised level of charge to be set.
 - The result of such review should be included in the annual F&C report in that year in order that the Council is able to ensure that charges are fair, appropriate and comparable to local alternatives. This should include an accompanying financial statement to demonstrate that, taking one year with another, the income from charges does not exceed the cost of provision. The review should include an equalities impact assessment.
5. At the Executive meeting on 10 October 2017, the Executive recommended that an inflationary increase as at September of each year be applied to F&C. This was agreed at the full Council meeting that took place on 16 November 2017.
6. In May 2017, the Office for Budget Responsibility predicted that the UK inflation measured by the Consumer Prices Index (CPI) for September 2018 would be 2.5%. When the actual inflation rate for September 2018 is published then this will be reflected in the pricing for 2019 accordingly. Where there have been significant variations from this advisory level these have been identified below in paragraphs 14 to 31.

2017/18 Fees and Charges Analysis

7. Last year the Finance team undertook a project to look at the income reporting (including F&C) process. One of the main purposes of this project was to identify and implement solutions that would improve financial reporting of income by increasing transparency and making it easier to recognise where income is derived from.

8. The new income reporting now includes volumetric data for F&C, which can be identified within SAP transactions for each individual F&C. The availability of this data significantly informs management decisions, in relation to income generation and costs related to F&C.
9. This will now enable the Council to have a detailed understanding of which fee or charge generates the most income, and will also help to identify new sources of income to consider through benchmarking with other local authorities.
10. In 2017/18 the Council had 807 different Fees and Charges (F&C). The total income derived from F&C in 2017/18 was £42.44M comprising 89,413 volumes/transactions. Appendix A shows a breakdown of income by each directorate and the volumes/transactions for each F&C Heading (where F&C are grouped based on the type of service).
11. Appendix A also gives estimates of the value increase from January 2019 (assuming the same volumes) based on the proposed increase from service areas, estimated value increase if an inflationary increase as at September is applied, currently 2.5%, and estimated value increase for every 1% increase. F&C that will remain at existing prices are show with nil % increase and value.
12. The analysis shows the estimated income to be generated as the result of the proposed increase would be £164k. The biggest increase relates to Resources and Community Services £81k and £69k respectively. The analysis also shows that if F & C were increased by inflation an additional £95k would be generated and for every 1% increase the additional income generated is estimated to be £38k.
13. Appendix B (which is an expansion of Appendix A) gives a breakdown of the income and volumes/transactions for 2017/18 based on the F&C description. In addition, this appendix includes references to proposed pricing schedules for 2019, which references all F&C listed on the appendix to pricing schedules for each services area.

Pricing for 2019

14. The review of prices proposed for 2019 reflects three pricing options:
 - Prices remain at their 2018 level either because they are in line with other providers (Local Authorities) or because there is insufficient data available to support a price change or they reflect the current cost of provision.
 - Prices increased with inflation (As at September- currently forecast as 2.5%).
 - Prices increased by more than inflation if there is sufficient information to justify an increase.
15. Some statutory charges remain at the 2018 rate and will be revised once the authority has been advised of the rates applicable for 2019.
16. Except for Services to Schools, Social Care and Housing, the implementation date of the price changes for 2019 is the 1st January 2019 wherever possible.

Adult Social Care and Housing

17. The majority of F&C for Adult Social Care (ASC) relate to Housing and are due for implementation from April 2019. Prices for fees and charges related to ACS which will be implemented from January 2019 are shown at Appendix C – Adult Social Care January 2019. Charges for Deferred Payment Agreement exclude VAT.

Community Services

18. Proposed prices for fees and charges related to Community Services are shown at:
Appendix D – Community Services January 2019 Discretionary.
Appendix E – Community Services January 2019 Statutory.
19. Car parking charges were increased in 2016 and there is no proposed increase for 2019. The Council continues to invest in improving the technology and customer experience of our busiest car-parks which will see new ticketing machines and a move to 'pay on exit' rather than customers having to estimate how much parking time they need to pay for. This will also see greater enforcement capacity being released in order to manage on-street parking more effectively, helping compensate for the loss of Automatic Number Plate Recognition (ANPR) cars.
20. Room hire charges in Libraries have been reviewed by the service and as a result some of the old F&C will be replaced with new proposed charges. The service undertook an analysis of other local venues and a range of different public/private facilities. The new proposed pricing structure is simpler and will encourage longer bookings and also will bring these charges in line with room hire from other providers and neighboring authorities.
21. This review also resulted in some other fees and charges for Libraries to be increased by more than 2.5%. Photocopying, prints and scans will increase from 10p and 15p to 15p (50%) and 30p (100%) for A4 and A3 black and white respectively.
22. Library fines per day will increase from 26p and 7p to 28p (7.7%) and 8p (14.3%) for adults and children respectively. Internet charges for vocal scores (music parts for performances) will increase from £6.10 and £12.20 to £10.00 (63.9%) and £15.00 (23%), this is to bring these charges in line with neighbouring authorities. For the purpose of estimating the increase in value in 2019 (Appendix A and B) an average of 27.2% has been applied.
23. Theatre hire charges were fully reviewed and updated in 2018 and will remain unchanged for 2019. Charges introduced in 2017/18 were simplified and encouraged longer bookings; in some circumstances, this allowed the service to increase the income marginally without resulting in hire charges being unreasonable.
24. Prices for hire of meeting rooms at Houghton Hall are proposed to freeze at their 2018 level. This is on the basis that they are currently in line with other providers and that there is not sufficient data at this stage to make an informed decision to raise the prices in line with inflation or at an alternative rate having only been trading for less than 12 months.

25. Following a consultation on home to school transport which took place in Dec 17 to Jan 18 the service will be introducing a new fee to reflect the cost of transport of operation home to school routes. The charge will start from September 2018 and will apply to both mainstreamed and SEN pupils/students. This fee is listed on the Appendix K – New fees & charges.

Regeneration and Business Services

26. Proposed prices for fees and charges related to Regeneration and Business Services are shown at:
Appendix F – Building Control January 2019
Appendix G – Planning January 2019
Appendix H – Pre-Application Advice for Building and Minerals & Waste January 19
Non-Statutory.
27. Building Control charges remain at the same rate as in 2018. These are calculated using a CIPFA model and will need to be reviewed separately after all budgets have been agreed. Pre-Application Advice for Building and Minerals & Waste will increase by inflationary rate 2.5%. Non-Statutory F&C for Planning including Street Naming will also increase by 2.5%.
28. Following the new funding arrangements from Department for Education the service is consulting on F&C related to Employment and Skills Services (including Kingsland room hire) and these charges and will be published in due course.

Resources

29. Proposed fees and charges related to Resources are shown at:

Appendix I – Resources (including Registration Service) January 18 Discretionary
Appendix J – Resources (including Registration Service) January 18 Statutory.
30. Charges for the hire of ceremony rooms for marriage and civil partnerships will remain the same as for 2018. From 30 September 2018 services related to Nationality Checking and Settlement Checking will be withdrawn by the Home Office. Local Land charges have been updated to include VAT. The proposed Legal Service charges have been reviewed to consider the seniority of the legal advisor.
31. Insurance charges to schools are being reviewed and the outcome will depend on the result of the insurance re-tendering exercise currently underway. The decision of re-tendering will be incorporated within revision of all Traded Services to Schools for 2019/20 due in November 2018.

New fees and charges for 2019

32. New proposed fees and charges for 2019 along with a recommended price are shown at Appendix K – New fees & charges January 2019.

Appendices:

Appendix A – F&C Summary analysis

Appendix B – F&C Value and Volume analysis (expanded)

Appendix C – Adult Social Care January 2019

Appendix D – Community Services January 2019 Discretionary

Appendix E – Community Services January 2019 Statutory

Appendix F – Building Control January 2019 Statutory

Appendix G – Planning January 2019 Statutory

Appendix H – Pre-Application Advice for Building and Minerals & Waste January 19 Non-Statutory

Appendix I – Resources (including Registration Service) January 19 Discretionary

Appendix J – Resources (including Registration Service) January 19 Statutory

Appendix K – New fees & charges January 2019