



WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

1.1 To obtain approval of the proposed scale Fees and Charges for 2015/2016

2. RECOMMENDATION

2.1 That Executive approve the Fees and Charges book for 2015/2016, included at Appendix 1

3. BACKGROUND TO THE REPORT

Background

3.1 The Council charges for a number of services that are provided to the public. The Council generates income of circa £3.8million from these sources annually.

3.2 All fees and charges are reviewed on an annual basis and are published separately in the Council's Fees and Charges book, as approved by the Executive.

Internal Audit Review

3.3 As part of their 2014/2015, Internal Audit Plan, the Council's internal auditors (CW Audit Services) undertook a review of arrangements in relation to the setting of the Council's current fees and charges. As part of this review, CW Audit benchmarked current fees and charges against other Local Authorities to establish where they may be the potential to raise generate additional monies.

3.4 The internal audit report was reviewed by Finance, Audit and Performance Committee at their meeting in August 2014. A follow up report was requested to provide more detail to the committee on those service areas where the Council does not currently charge but others in the benchmarking group do. These areas were identified as follows:

- Off Street Charges – Sundays
- Housing – Inspection of variation
- Housing – Variation of license details
- Housing – Variation to HMO License
- Pre application advice – domestic
- Pest control – domestic rats
- Garden bin replacement and collection
- General waste – bin replacement

3.5 Each of these areas were considered in turn by the Committee and a number have been included in the Fees and Charges book for implementation from 2015/2016.

Charging Strategy

3.6 Whilst a dedicated charging strategy is not in place, a number of principals are followed when considering fees and charges.

- 3.7 In general terms, all applicable services should be charged for unless there is a valid reason for an exception to be made. These exemptions include, but are not limited to:
- Instances where the administrative cost of levying and recovering the charge would outweigh any potential income
 - Where policy has been passed to fund the service from Council Tax or other dedicated funding streams (e.g. grants)
 - Circumstances where charging would significantly deter demand
 - Where statute dictates that charges cannot be made
- 3.8 When setting scales of charges, the following factors are taken into consideration:
- Statutory obligations
 - Inflation and relevant indices
 - Local market research and competition (where relevant)
 - The impact of price changes on activity level or demand
 - Changes in taxation
 - Budget position and links to the MTFS and the Corporate Plan
 - The cost of providing the service
- 3.9 A rate comparable with Retail Price Index (RPI), which is a measure of inflation, has been used as an index where appropriate for up-rating charges from prior year. A rate of 3.0% has been used in line with the Budget Strategy for 2015/2016 which was endorsed by Executive.
- 3.10 The VAT rate and implications have been obtained for all charges, in consultation with the Council's VAT advisors Baker Tilly.

2015/2016 Fees and Charges

- 3.11 Appendix 1 shows the 2014/15 and 2015/16 charges, along with the percentage increase. Some fees and charges, for example Fixed Penalty Notices and those under the Gambling and Licensing Acts have been set in line with relevant guidance.
- 3.12 All leisure centre charges have been set by Places For People Leisure Management Ltd who will operate the existing and new leisure centres from 2015/2016. All charges are consistent with the contract with Places For People Leisure Management Ltd which was signed on 24th September 2014.
- 3.13 In the majority of cases where discretionary charges can be made, increases have been made in line with index in 3.9 (or to the nearest round number associated with this increase). The following increases have been proposed over and approve this level:
- Friday Street Trading Consents charges have increased by 6.98% from £25.80 to £27.60 in order to bring the charge in line with the fee for casual traders
 - White Goods/Bulky Waste collection charges have been increased following a benchmarking exercise with other Leicestershire Districts. This Council has historically set charges lower than neighbouring Authorities
 - A number of building control charges (e.g. written confirmations and surveyor attendance at emergencies) have been increased by 50% - 75%. Building control fees should be set in a manner that recovers the cost of providing the service. Following a restructure of the service, a full review of all costs has been performed to ensure that all charges reflect the cost base of the department

3.14 The following new charges have been proposed for 2015/2016:

- Off peak rates for tennis at Hollycroft Park
- Renewals and variations of licenses for sex establishments
- Charges for new documents produced (e.g. Land Availability Studies, Earl Shilton and Barwell Action Plan and Renewable Energy Capacity Study)
- General waste – bin replacement **
- Pre application advice – domestic **
- New Occupancy (provision of 3 bins and internal caddy) **
- Failure to comply with a Community Protection Notice, under the Anti-social Behaviour, Crime and Policing Act 201

** As highlighted by the Internal Audit report

4. FINANCIAL IMPLICATIONS [KP]

Included in the report

5. LEGAL IMPLICATIONS [EH]

The power to impose fees and charges is contained in various statutory provisions and there is individual guidance in relation to some charges as to how they should be composed or calculated. Should any of the fees or charges be set contrary to guidance or empowering legislation the risk to the authority would be challenge on the fees and potential repayment. As consultation has been undertaken prior to setting the proposed increases this should have been addressed by individual budget holders and risks minimised.

6. CORPORATE PLAN IMPLICATIONS

The budget will have an indirect impact on all other Corporate Plan targets.

7. CONSULTATION

All budget holders, Corporate Operations Board and the Strategic Leadership Board have been consulted throughout the budget setting process.

8. RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
S.11 - Failure to successfully deliver the Medium Term Financial Strategy	The financial position of the Council becomes more challenging. Members made the decision at full Council on 2nd September 2014 to add to the specification of the swimming pool in the new Leisure Centre. This will add a further £500K to £705K to the cost of the Leisure	Sanjiv Kohli

	<p>centre (this is in addition to the £1m cost of the ground remediation work that was previously reported). This now takes the total cost of construction to just over £15m. The cost of the ground works and the moveable floor has resulted in a shortfall in capital funding which has been met through utilisation of the Hub rental reserve (£1m) and by borrowing. The total impact on the Revenue funding is a further strain of just over £130K for 2015/16. This together with the known circa 16.8% reduction in RSG and reductions in budgets by the County Council having a direct impact on this Council's budgets means that the shortfall in funding for 2015/16 exceeds £500,000 and for 2016/17 could increase to £1.2m with further removal of dry recycling credits by LCC. Meetings have taken place with the ruling (Lib Dem) group and Middle Managers to identify areas for savings and additional revenue generation. A key decision has been made by Council to withdraw the 25% of NHB support given to Parish Councils from 2015/16 but to carry on with the LCTS support to Parishes. This decision means that the Borough Council's budgets will be better off by over £350K. Further support has been demonstrated by the ruling group over introducing new charges e.g charge for pre-application planning advice for domestic planning applications and a charge for replacement bins that have been damaged by residents. Also considering introducing a charge for green waste recycling</p>	
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9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

The budget process will impact on all areas of the Borough and all groups within the population.

Where concessions are made for certain groups for charging purposes these are detailed in the attached booklet.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Executive Member: Cllr K Lynch