



Corporate Policy and
Resources

Thursday, 7th November
2019

Subject: Proposed Fees and Charges 2020/21

Report by:	Executive Director of Resources
Contact Officer:	Sue Leversedge Business Support Team Leader sue.leversedge@west-lindsey.gov.uk
Purpose / Summary:	Propose Fees and Charges to take effect from 1 April 2020.

RECOMMENDATION(S):

1. That Member's **recommend to Council** for approval the proposed Fees and Charges as detailed in Appendices A and B.
2. That Members **recommend to Council** for approval the proposed Fees and Charges at Appendices 1 – 3, as well as those recommended by Prosperous Communities Committee detailed at Appendices 4 – 17.
3. That Members approve the charges for the Crematorium and these be applied upon opening.
4. That Members approve the introduction of the new non-statutory charge within Planning 'Do I need planning permission?' be applied from 1st January 2020, as detailed at 5.8

IMPLICATIONS

Legal:

Where fees and charges are set by legislation at national statutory rates, these will be applied as notified.

Financial : FIN/85/20/TJB

The 2020/2021 fees and charges are explained in the body of this report. The financial effects of the increases, together with introducing new charges will be built into the Council's revenue budget.

The fees and charges base budget 2019/2020 and 2020/2021 for the Council is broken down as follows;

Category	2019/20 Base Budget Income £	2020/21 Base Budget income £
Statutory	1,224,700 (33%)	1,215,500 (30%)
Non-Statutory	1,886,800 (52%)	2, 217,600 (55%)
Price on Application (POA)	545,300 (15%)	610,500 (15 %)
Total	3,656,800 (100%)	4, 043,600 (100%)

As most of these charges have been previously approved and/or remain static, and the fact that other charges are limited in demand there is only a minimal benefit for the Medium Term Financial Plan (MTFP) of £17,600 in 2020/21, rising to £24,100 in 2024/25.

Where inflation has been applied to fees and charges at 3% in 2020/21, it is proposed that inflation is assumed to be 2% for future year budgets within the MTFP.

Details of the proposed increases to each service area are contained within the report at Section 4.

The cumulative impact on the MTFP of the fees and charges review is;

Year	Increase in Contribution pa £	Cumulative Increase in Contribution £
2020/21	(17,600)	(17,600)
2021/22	(100)	(17,700)
2022/23	(100)	(17,800)
2023/24	(1,100)	(18,900)
2024/25	(5,200)	(24,100)

Staffing: None arising as a result of this report.

Equality and Diversity including Human Rights: None arising as a result of this report.

Data Protection Implications: None arising as a result of this report.

Climate Related Risks and Opportunities :

None arising as a result of this report.

Section 17 Crime and Disorder Considerations :

Some fees and charges are set to discourage anti-social behaviour i.e. the bulky waste service and impact on fly tipping.

CCTV service charges are set to encourage take up of the service to increase public safety in the district and reduce anti-social behaviour.

Fixed Penalty Notices are fees set by the Government to enable Local Authorities to take action against anti-social behaviour.

Health Implications: None arising as a result of this report.

Title and Location of any Background Papers used in the preparation of this report:

None.

Risk Assessment :

There is a risk that an increase in fees and charges may impact on the usage of the service resulting in budget pressures.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 This report and appendices set out the proposed fees and charges for 2020/21.
- 1.2 The Council has in place a corporate Fees, Charges and Concessions Policy which aims to provide clear guidance on a number of areas, in particular this focuses on how fees and charges can assist in the achievement of Corporate Priorities, the setting of new and reviewing of existing charges, the Council's approach to cost recovery and income generation from fees and charges and eligibility for concessions.
- 1.3 It is recognised that full cost recovery will be the customary approach, although this will not be appropriate in all circumstances and the amount charged will need to be a reflection of many factors including Council objectives, market conditions, the cost of collection and the potential impact on customers.
- 1.4 Work has been undertaken to bring these fees and charges in line with this policy, through reviewing existing fees and charges and considering the introduction of new charges for Council services, to recover costs and control demand.
- 1.5 As a minimum, inflationary increases would normally have been applied where possible with the exception of those fees set by statute.
- 1.6 A full review of the VAT rate applicable to all fees and charges has been undertaken by our advisors PSTax Ltd to ensure we are compliant with HMRC guidance.
- 1.7 Prosperous Communities Committee has reviewed those fees and charges under their responsibility and recommends these for approval, some of which have previously been agreed. These are attached at Appendix 4 – 17.

2 Fees and Charges Policy and Process

- 2.1 The review of fees for 2020/21 has been undertaken through a robust exercise including determining total service cost, determining a pricing level to ensure full cost recovery, then considering benchmarking data and market conditions to determine an appropriate charge.
- 2.2 Budget Managers have worked with their Finance Business Partner in undertaking this review.
- 2.3 The review has in the main tried to consider the full cost recovery constraints. However, the process has been influenced to a degree by issues where the Council considers, through the benchmarking exercise, that the charge proposed is fair and reasonable for the service being provided.

- 2.4 The greatest risk/concern for Managers is receiving challenges to the level of fees and charges set. There is sound justification to support the proposed fees and, where the fees proposed do not reflect the full cost of providing the service, there is a sound basis for the decision based on the Managers' understanding of the commercial environment.
- 2.5 Where fees have been reviewed, having a greater regard to benchmarking data where such data is available, we have tried to ensure that they are at a level whereby they do not vary substantially when compared to other local authorities in the area. In most cases the proposed fees remain around the median to third quartile on the benchmarking range to reduce the likelihood of challenge.
- 2.6 In areas where the Council experiences external competition, again we have tried to ensure that the rates remain competitive and value for money. It would not be prudent to risk pricing ourselves out of the market just to satisfy an aspiration to achieve a set increase in fee income. It is not believed that the proposed fees will price ourselves out of the market but it is vital to allow Managers some flexibility on fees when trying to secure business, without breaching any regulations.
- 2.7 By undertaking a detailed income and expenditure review and coupled with the previously undertaken benchmarking process, we have given confidence in our approach and proposals.
- 2.8 Given the general belief that our proposed fees and charges are fair and reasonable the significant risks to fee income are not with fee levels themselves but with the achievable volumes and delivering against business plans.
- 2.9 The fees and charges will be subject to continuous monitoring during the year to either implement changes during the year if required, or to feed into the following years Medium Term Financial Plan.

3 Fees and Charges Review

- 3.1 Of the 573 fees and charges reviewed 39% are statutory and 61% are non-statutory.
- 3.2 Of the 224 statutory fees and charges set by Central Government 80% have experienced no change in the level of fees with 19% seeing an increase in fees. There has been 1 (1%) new statutory fee for 'larger home extensions' (effective 19/08/19) being within Planning Applications.
- 3.3 The increases in fees and charges for statutory services sit primarily within Environmental Services and relate to fees and charges set by Defra. An announcement regarding any changes to these fees and charges is expected in February 2020 and the schedule will be updated to reflect any amendments once known.

3.4 Of the 349 non-statutory fees and charges 40% have experienced no change, 47% have increased and 1% have decreased. There have been 41 new non-statutory fees and charges (12%);

- 1 within Planning Applications
- 4 within Strategic Housing
- 2 within Licensing
- 34 in relation to the new Crematorium

3.5 Of those 164 (50%) non-statutory fees and charges increased this equates to an average of £111.80 in monetary terms (net of VAT).

3.6 Of the 4 (1%) non-statutory fees and charges decreased this equates to an average decrease of £96.67.

They sit within the Licensing schedule, and relate to change of details for scrap metal companies, and transfer of sex shop licence.

The decrease is proposed to avoid challenge as the amended charge achieves total cost recovery, and brings them in line with benchmarking data.

3.7 The following services are currently provided with prices on application;

- Trinity Arts Centre (except room/theatre hire and film showings)
- Building Control Commercial Services
- Trade waste services
- Private street cleansing work
- CCTV services

This is due to the variety of requirements of customers. Pricing models have been developed to assist officers in developing a price range, based on the individual requirements and specifications of the customer.

3.8 The following fees and charges have been approved by Corporate Policy & Resources committee during 2019/20 and are included here for completeness;

- Street naming and numbering (CP&R 25/07/19)
- Car parks – Roseway 24 hour parking – Travelodge (CP&R 11/04/19)

3.9 The proposed fees and charges will apply from 1st April 2020, unless there are other constraints preventing this, in which case the operative date will be as soon as practicable after 1st April.

3.10 However, in relation to the new Crematorium which is due to open by the end of January 2020 fees and charges will apply upon opening.

3.11 In relation to the new charge within Planning –‘Do I need planning permission?’ it is proposed that this is effective from 1st January 2020.

The following appendices provide the detail and analysis of pricing and demand and the proposed charges, and are summarised by service area below;

4 SUMMARY OF PROPOSED FEES AND CHARGES BY SERVICE AREA – CORPORATE POLICY AND RESOURCES COMMITTEE

4.1 Appendix 1: Electoral Services

The rates are statutory and set by Central Government.

For 2020/21 there has been an increase of £3.00 for sales of Electoral Register per thousand names and an increase of £0.50 for sales of the supply of computer data: Electoral Register per thousand names.

It is proposed that the one non-statutory charge for the inspection of Return of Declaration of Election Expenses is removed as this has not been used in recent years and no demand is forecast for future years.

There is no impact on the income budget within the MTFP for this service as a result of this review.

4.2 Appendix 2: Property Name Changes

After a benchmarking exercise carried out with other East Midlands authorities to assess the average fees, the proposed fees for 2019/20 were recommended to Corporate Policy and Resources Committee 25th July 2019 (FIN/16/20), and subsequently approved.

It is proposed that the fees remain unchanged for 2020/21, and will be reviewed for total cost recovery and against benchmarking data ahead of the 2021/22 fees and charges review.

There is no impact on the income budget within the MTFP for this service as a result of this review.

4.3 Appendix 3: Revenue Services

These are statutory fees which are reviewed annually in March by the Court Service, however it is assumed that they will remain unchanged from 2019/20 rates.

There is no impact on the income budget within the MTFP for this service as a result of this review.

5 SUMMARY OF PROPOSED FEES AND CHARGES BY SERVICE AREA – RECOMMENDED BY PROPSEROUS COMMUNITIES COMMITTEE

5.1 Appendix 4: Car Parks

Fees were set in accordance with the Gainsborough Car Park Strategy approved previously effective from 1st April 2018.

Charges for Market Rasen permits were considered by members separately and have been increased in line with the 2nd year increase approved during 2019/20.

A new charge of £6.50 was introduced for 24 hour parking at Roseway for Travelodge customers, this was approved by the Corporate Policy and Resources Committee in April 2019.

It is proposed not to increase the remaining fees and charges for car parks at this time but a review is being undertaken as data on usage can now be analysed against the current Car Park Strategy expectations.

The income budget for this service has been increased by £6k as a result of the proposed changes.

5.2 Appendix 5: Cemeteries

It is proposed to increase the majority of fees and charges by 4% to bring them into line with neighbouring Authorities.

There is no impact on the income budget within the MTFP for this service as a result of this review, as the existing budget reflects forecast demand.

5.3 Appendix 6: Environment Services

Mainly statutory fees set at the maximum level.

Of those which are non-statutory a 6% increase has been proposed to 5 fees and charges to bring into line with benchmarking data.

A further 3 charges have been increase by inflation at 3%.

There is no impact on the income budget within the MTFP for this service as a result of this review.

5.4 Appendix 7: Fixed Penalty Notices

Mainly statutory set charges.

Inflation at 3% is proposed to be applied to non-statutory fees and charges relating to high hedges.

There is no impact on the income budget within the MTFP for this service as a result of this review.

5.5 Appendix 8: Land Charges

A 6% increase is proposed across all fees and charges to reduce subsidy. The resulting levels are consistent with benchmarking data for neighbouring Authorities.

The service will be redesigned as part of the Customer First Programme to improve internal processes.

The income budget for this service has been increased by £7.6k as a result of the proposed changes.

5.6 Appendix 9: Licensing

An inflationary increase of 3% has been applied for all non-statutory fees that WLDC have the powers to set.

Where benchmarking data is available a proposed increase of 6% has been applied to bring in to line with comparable data.

The schedule of charges for zoos is proposed as a set fee rather than an officer hourly rate.

The charge for scrap metal year 3 follow up compliance inspection has been removed as this is no longer carried out.

The income budget for this service has been increased by £1k as a result of the proposed changes.

5.7 Appendix 10: Markets

There is an ongoing review of the service – it is proposed to make no changes at this time.

There is no impact on the income budget within the MTFP for this service as a result of this review.

5.8 Appendix 11: Planning

- Propose a new non-statutory charge to be implemented from the 1st January 2020 - the focus on improving performance for our customers has ensured that the service has developed with a much sounder understanding of their needs. For instance the service has proposed to introduce a simplified “Do I need planning permission?” enquiry for the benefit of customers, whilst the fee is set at an accessible level initially and will be reviewed against demand, benchmarking data and cost recovery ahead of the review of fees and charges for 2021/22.

Currently a householder has the following options to determine whether or not they need planning permission;

1. Can ring and have an informal chat with our duty officer for free on Mondays, Wednesdays and Fridays. The Duty Officer can only offer an informal oral opinion, based on what the customer has conveyed verbally to them.
2. A householder can apply for a Lawful Development Certificate - £103 for a householder extension, there is a statutory target of 8 weeks for WLDC to determine such an application.
3. For written advice, there is a pre-planning application fee of £93.60 for advice on householder development.

The proposed 'Do I need Planning Permission?' service is exclusively for householders, and will give customers the opportunity to apply for the Council's written opinion as to whether proposed works to their dwelling will require the Council's planning permission at a cost of £25.

Please see Appendix 11a for more details on the proposed charge.

- Proposal to increase Pre-Application Advice by inflation at 3%.
- A new statutory charge was effective from 19 August 2019 – 'larger home extensions'.
- There are no changes to the remaining statutory fees and charges.

The income budget for this service has been increased by £1.8k as a result of the proposed changes.

5.9 Appendix 12: Strategic Housing

There are currently different levels of charge for multiple hazards within Housing Enforcement Charges. It is proposed to simplify the charging mechanism by introducing one charge, regardless of the number of hazards, based on an average of past cases.

It is proposed to increase the 'Mandatory HMO Licence Application' fee by £25 (3%) to achieve total cost recovery in this area.

It is proposed to increase the 'Immigration Procedure Inspection' charge by 6% to bring into line with comparable data, although the volumes are minimal.

There is no impact on the income budget within the MTFP for this service as a result of this review.

5.10 Appendix 13: Waste Services

Proposed increase by inflation at 3% to the sale of sacks, and bulky waste collections.

No change to the sale of new and replacement bins as total cost recovery achieved in this area.

It is proposed that the subscription to Garden Waste collection service is frozen at the current annual rate of £35, based on current take up and future projections of costs of providing the service.

The income budget for this service has been increased by £1.2k as a result of the proposed changes.

5.11 Appendix 14: Trinity Arts Centre

Following a review of hire of room/theatre charges in 2018 these charges are now set fees which are included in the fees & charges schedules. It is proposed to maintain these charges at the current rate for 2020/21, as it is felt that any increase at this time may be detrimental to usage.

All other fees & charges generated by the centre are Price on Application (POA) but analysis of income generation is provided within the Appendix for information.

There is no impact on the income budget within the MTFP for this service as a result of this review.

5.12 Appendix 15: Crematorium

The crematorium is scheduled to open in January 2020 and the proposed schedule of charges has been compiled based on the experience and knowledge of the Crematorium Manager with regard to the fees set by neighbouring crematoria, in order that we are competitive.

It is proposed that the charges are effective from the opening date and remain the same for the subsequent financial year, 2020/2021.

The charges will be reviewed for 2021/2022 based on the activity and data collected in the initial operational period in line with the Fees and Charges Policy.

5.13 Appendix 16: CCTV Service (Commercially Sensitive*)

Charges are Price on Application but analysis of income generation is provided within the Appendix for information.

5.14 Appendix 17: Building Control (Commercially Sensitive*)

Charges have been based on a cost recovery basis but are considered to be commercially sensitive.

*The Proper Officer has determined in preparing Appendices 16, 17a and 17b that paragraph 3 should apply. The view of the public interest test was that while he was mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, disclosure of the information would give an unfair advantage to tenderers for commercial contracts.

This information is not affected by any other statutory provision which requires the information to be publicly registered.

On that basis it was felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when excluding the public from the meeting.