



Prosperous Communities

**Tuesday, 1st December
2020**

Subject: Proposed Fees and Charges 2021/22 Prosperous Communities

Report by:

Assistant Director, Finance, Business and
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Purpose / Summary:

Propose Fees and Charges to take effect from 1
April 2021.

RECOMMENDATION(S):

- 1. That Members consider the proposed fees and charges for 2021/22 as detailed, and make recommendation to Corporate Policy and Resources Committee for approval.**
- 2. Fees and charges will be kept under review throughout the year. If necessary changes are identified during the financial year, these will be reported directly to the Corporate Policy and Resources Committee for approval as appropriate.**

IMPLICATIONS

Legal:

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

Financial : FIN/71/21B/SL

The 2021/2022 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.

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 a minimal benefit for the Medium Term Financial Plan (MTFP) of £24,300 in 2021/22, rising to £41,800 in 2025/26, as a result of the amendments to fees proposed within this report.

Where inflation has been applied to fees and charges at 3% in 2021/22, 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 in relation to services within Prosperous Communities is:

Year	Increase in Contribution pa £	Cumulative Increase in Contribution £
2021/22	(24,300)	(24,300)
2022/23	(2,100)	(26,400)
2023/24	(3,600)	(30,000)
2024/25	(3,100)	(33,100)
2025/26	(8,700)	(41,800)

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 2021/22.
- 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.

2 Fees and Charges Policy and Process

- 2.1 The review of fees for 2021/22 has been undertaken through a robust exercise including determining total service cost and then calculating a pricing level based on an estimated demand level to ensure full cost recovery, then considering benchmarking data and market conditions to determine an appropriate charge.
- 2.2 Consideration has been taken of the potential ongoing implications of Covid-19 on chargeable services. The budgetary implications contained within this report relate to any proposed increases in fees. Any impact on the demand for services will be presented as pressures or savings through the proposed budget reports to be presented to Committee separately as part of the budget setting process for the period 2021/22 to 2025/26.
- 2.3 Budget Managers have worked with their Finance Business Partner in undertaking this review.
- 2.4 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.

- 2.5 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.
- 2.6 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 surrounding area.
- 2.7 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.
- 2.8 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 either to 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 610 fees and charges reviewed 41% are statutory and 59% are non-statutory. In terms of 2019/20 actual income received this equates to;

	2019/20 Actuals £	
Statutory	1,190,922	32%
Non-Statutory	2,568,295	68%
Total	3,759,217	100%

- 3.2 Of the 252 statutory fees and charges set by Central Government 97% have experienced no change in the level of fees, with 3% seeing an increase in fees chargeable.
- 3.3 The increases in fees and charges for statutory services sit within Environment Services for private water supply work.
- 3.4 Of the 358 non-statutory fees and charges, 49% have experienced no change and 51% have increased.

3.5 Of those 182 (51%) non-statutory fees and charges increased, this equates to an average of £9.72 in monetary terms (net of VAT).

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

- Trinity Arts Centre (except room/theatre hire)
- 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.

3.7 The following fees and charges have been approved by Corporate Policy & Resources Committee or Council during 2020/21 and are included here for completeness;

- **Crematorium**

- Barbican Memorial (space leased for 5 years)
- Mulberry Tree – per leaf (space leased for 5 years)
- Pro Visual tribute (2-25 photographs)
- Visual Tribute – standard and pro visual (for additional 25 photographs)
- Sanctum 2000 Vault (leased for 10 years) including upto 80 letters
- Sanctum 2000 Vault – per letter above 80
- Downloadable copy of visual tribute
- The Farewell Service

- **Strategic Housing**

- Civil Penalties – Housing and Planning Act

- **Communities**

- Defibrillator Maintenance Scheme

- **Trinity Arts Centre**

- Booking fee for transactions made over the telephone or face to face

3.8 The proposed fees and charges will apply from 1st April 2021, unless there are other constraints preventing this, in which case the operative date will be as soon as practicable after 1st April.

The complete schedule of proposed fees and charges for those services within Prosperous Communities Committee is at Appendix 1 of this report.

The 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

4.1 Appendix 2: Car Parks

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

A revised Car Park Strategy is to be presented to Committee at a later date, and it is proposed not to amend the parking fees at this time, pending the outcome of that review and in light of the impact of covid on current income levels.

It is proposed that the fee under 'Bus Station' for allocated stands be removed from the schedules as these charges are to be treated as lease agreements to allow for greater control over recovery of the costs and negotiations of rates applied.

4.2 Appendix 3: Cemeteries

The fees within this area were increased above inflation in previous years to bring them into line with neighbouring Authorities. For 2021/22 it is proposed to increase the fees and charges by inflation at 3%, rounded to 50p.

4.3 Appendix 4: Environment Services

This schedule consists mainly of statutory fees set at the maximum level. The charges for 2021/22 are expected to be reviewed in February 2021 and the schedule of charges will be updated to reflect any changes.

Statutory Private Water Supply Work – This legislation does allow for total cost recovery, therefore the fees charged reflect the actual cost of providing this service (an increase of

Of those which are non-statutory, inflation at 3% increase has been proposed.

4.4 Appendix 5: Fixed Penalty Notices

This schedule consists mainly of statutory set charges and no changes have been applied for 2021/22.

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

4.5 Appendix 6: Land Charges

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

Where rounding has been applied to 50p for the smaller fees (below £5) the percentage increase is higher than the 6% base increase applied, although the monetary value of the increase is minimal.

4.6 Appendix 7: Licensing

The majority of the charges are statutory, or a statutory-range where the maximum amount is charged.

Non-statutory fees have been reviewed and either 0%, 3% or 6% has been applied depending on whether total cost recovery has been achieved in those areas of service provision, with consideration to benchmarking data and what the service manager believes is appropriate within the market.

4.7 Appendix 8: Markets

There is an ongoing review of the service – it is proposed to make no changes at this time, in support of the high street recovery and future delivery, which will be subject of further report.

4.8 Appendix 9: Planning

The planning application fees are statutory and no increases are applicable for 2021/22 at this point.

The proposal is to increase Pre-Application Advice fees by 6% and move towards total cost recovery, except for the 'Household developer – Do I need Planning Permission' fee which is proposed to increase by 20% in line with benchmarking data. The proposed increases are not anticipated to decrease demand.

There has been a continued focus on reducing overhead service costs through more efficient practices. The service is no longer heavily reliant upon agency support staff and is continuing to move away from paper reliant processes.

4.9 Appendix 10: Strategic Housing

Housing Enforcement Charges - It is proposed to increase the non-statutory fees by inflation at 3%.

Mobile Homes – it is proposed to maintain the fees at the current level. The costs incurred are fully recovered and our fees are set in the upper quartile of our geographic neighbours.

Selective licensing – these fees were agreed and set for a 5 year period until 2020/21 in line with the original fee proposals relating to this legislation. The service is due to be reviewed early 2021 and any proposed amendments to fees will be reported to Committee.

4.10 Appendix 11: Waste Services

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

The sale of wheeled bin replacement and bins for new properties have been brought into line with total cost recovery analysis, and is consistent with benchmarking data for neighbouring authorities.

All wheeled bin types (residual, recycling, garden waste) are proposed to increase to a consistent charge across all of £35. This equates to a 6% increase for residual and recycling bins from £33, and a 133% increase in garden waste bins from £15.

Garden Waste Collections - The analysis of total cost recovery based on forecast budgets for 2021/22 resulted in a subscription fee of £36.55. However, it is proposed that the fee is not increased until 2022/23 and therefore the annual charge would remain at £35 for 2021/22.

4.11 Appendix 12: 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 and the fee was frozen for 2020/21. It is proposed to apply inflation at 3% to these charges for 2021/22.

There is no proposed increase to film showing fees and charges for 2021/22.

It is proposed to remove the separate Sunday theatre hire and performance charges. Sunday charges will now be reduced to be the same as Friday and Saturday.

The following table highlights the current Sunday charges (2020/21), at a higher rate than other days of the week, which are proposed to be removed and the Friday to Saturday charge expanded to include Sunday at the same rate.

Prosperous Communities Committee				Trinity Arts Centre					
		2020/21 Excl. VAT	2020/21 Inc. VAT	Proposed Increase/decrease		2021/22	VAT Amount	2021/22 Charge Inc. VAT	VAT Rate
		£	£	% Type	or £	£	£	£	
Theatre (rehearsal) (Fri-Sat)	per hour	£55.00	£66.00	3%	£1.50	£56.50	£11.30	£67.80	S
Theatre (rehearsal) (Fri-Sat)	per full day	£340.00	£408.00	3%	£6.50	£350.00	£70.00	£420.00	S
Theatre (rehearsal) (Sun)	per hour	£75.00	£90.00						S
Theatre (rehearsal) (Sun)	per full day	£595.00	£714.00						S
Theatre (performance) (Fri-Sat)	per hour	£65.00	£78.00	3%	£2.00	£67.00	£13.40	£80.40	S
Theatre (performance) (Sun)	per hour	£95.00	£114.00						S

The TAC booking system is being replaced in January 2021. Part of the change has resulted in the introduction of a booking fee for face to face/ over the phone bookings taken by Customer services. Currently customer are charged a booking fee but this forms part of the current booking system. This fee would be £1 (plus VAT) per transaction from January 2021, and is to remain at the same rate for 2021/22.

4.12 Appendix 13: Crematorium

It is proposed to increase the cremation and chapel fees by inflation at 3% for 2021/22.

Secondary service provision i.e. memorials and tributes are currently frozen pending a review of the structure of available services.

Any amendments arising from the review will be reported to Corporate Policy and Resources.

4.13 Appendix 14: Communities

The introduction of the defibrillator maintenance was approved by Council 07.09.20.

The fee has been set on the basis of cost recovery being achieved if 75% of communities with defibrillators (i.e. 60 out of the 80 communities who currently have a defibrillator) signed up to the scheme.

In light of the implementation of the fee being effective from September 2020, it is proposed that the fee is maintained at the current level of £100 (incl. VAT) for 2021/22.

Cost recovery analysis will be undertaken as the scheme is rolled out and will inform the fees and charges review for this service for 2022/23.

4.14 Appendix 15: CCTV Service (Commercially Sensitive*)

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

4.15 Appendix 16: Building Control (Commercially Sensitive*)

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

**The Proper Officer has determined in preparing Appendices 15 & 16 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.