

REPORT TO CABINET

REPORT OF: HEAD OF FINANCE

REPORT NO: HOF209

DATE: 3rd December 2012

TITLE:	FEES AND CHARGES PROPOSALS 2013/14	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	None	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Cllr Mike Taylor Assets and Resources Portfolio Holder	
CONTACT OFFICER:	Richard Wyles, Head of Finance r.wyles@southkesteven.gov.uk 01476406210	
INITIAL IMPACT ASSESSMENT:	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:
Equality and Diversity	N/A – this will be undertaken by the service area responsible for the fees and charges	No
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	HOF 210	

1. RECOMMENDATION

Cabinet is asked to approve the following fees and charges for their inclusion into the budget framework proposals for 2013/14:

- Car parking – no increase to current tariffs but approve a review of the car parking charging strategy 6 months after the implementation of civil parking enforcement in the district. Penalty fines increased in line with civilian parking enforcement rates
- Markets – no increase proposed
- Bus stations – no increase proposed

- Grantham cycle centre – no increase proposed
- Arts centres – inflationary increase only
- Corn Exchange – inflationary increase only and introduction of new charges for kitchen hire, bar hire and regular hirers
- Green waste collection – no increase proposed
- Licensing – increase in line with achieving service breakeven
- Environmental Health – inflationary increase only and introduction of 2 new charges (amendment or replacement of certificate and renewal of licence for houses of multiple occupation)
- Outdoor recreation – inflationary increase only
- Building Control – no increase to published fees but an increase of £5 to £45 be applied for the hourly rate charge for any other non-published services provided
- Grantham cemetery – inflationary increase to established charges and the introduction of new charges for single vault mausoleum plot and kerbed memorials
- Helpline – increase in line with achieving service breakeven for private sector customers
- The introduction of a new charging structure in with respect to planning advice

2. PURPOSE OF THE REPORT

The fees and charges proposals for 2013/14 have been compiled by the Resources PDG and need to be taken into consideration as part of the budget compilation for the 2013/14 budget framework.

3. DETAILS OF REPORT

The Resources PDG has been reviewing fees and charges as a key element of their 2012/13 workplan and have worked alongside Deloitte and officers to undertake an income review benchmarking study which compared fees and charges across a number of east midlands councils. This review has also given exposure to over 50 local authorities charging regimes outside of the geographical boundaries of the east midlands.

This review has led to an updated fees and charges strategy which was approved by Cabinet at its meeting on 1st October 2012. The main headings of the framework are:

Approaches to fees and charges setting:

- A clear corporate charging policy
- Clarity over full cost or subsidy level (defined as £ per head)
- A perspective on fairness in charging
- Adopting a more commercial approach to fee setting

Proposed framework for charging

- Recovery of cost
- Concessions for certain service users
- Identifying new opportunities for charging
- Contribution to corporate priorities
- Annual review of charges

The strategy and the toolkit now forms part of the financial planning cycle of the Authority and the methodology has been adopted by all service areas.

Service managers have been utilising the framework and the benchmarking toolkit to undertake a fundamental review of the current published fees. Specifically the focus of the work focussed on:

- Services that are currently provided free of charge where other authorities are charging
- Services not currently provided that other authorities are providing and charging for
- Services where the Council is charging a lower rate than the benchmark

Specifically the initial outcome of the review work has identified the following new charge proposals:

Pre-planning charging – the benchmarking analysis revealed a number of authorities including Lincolnshire, have introduced a charge for providing pre-planning advice. A system of charging for pre-planning advice helps to reduce the number of speculative enquires and helps provide customers with a quality service that provides them with the assurance that the application, once received, will process in a timely fashion and without unnecessary delays. The introduction of the charge also establishes the principle that the cost of the service should be met from the customer directly receiving the service rather than the wider taxpayer. This principle is a core element of the newly adopted fees and charges strategy.

There has been no evidence that introducing such as charge will have a detrimental impact on developers wishing to engage with the Council in bringing forward development opportunities. Indeed, anecdotal evidence supports the view that developers will actively support a charge regime knowing that the service that is received is a quality professional service.

In summary the following pre-planning advice charges are proposed:

- Householder residential development (extensions etc) - £50
- Non-residential changes of use including siting or caravans for sites under 1 ha or buildings under 1,000 sqm (gross) - £150
- Non-residential changes of use including siting of caravans for sites or 1 ha or above or buildings of 1,000 sqm or above (gross) - £300
- Development of 1-9 dwellings including changes of use to residential - £200 for 1st dwelling and £100 for each additional dwelling
- Development of 10-49 dwellings including changes of use to residential - £1,000 for the 10th dwelling and £50 for each additional dwelling

Other charges have also been considered and these are detailed at appendix A.

Bus stations – benchmarking with neighbouring authorities has identified the current charges are proportionally greater whilst only offering limited facilities. This is causing concern and could create an adverse response for the future operation of the sites if not kept under review. A continuation of a freeze on an increase for 2013/14 would assist with addressing the situation.

Corn Exchange – the new financial year will see the opening of the Community Access Point at the Corn Exchange with the remainder of the centre providing function room and kitchen hiring facilities. The costs of providing these different services has been separately identified and the new fee structure is based on the service offer and the existing published charges with inflation applied. New charges have been introduced in respect of:

- Full kitchen hire £120
- Use of bar function £50
- Regular users hire: hourly rate £25 and evening rate £30

Green waste charging – during 2012/13, the Council approved the introduction of a green waste collection contribution fee of £25 for an annual collection service. This has proven particularly successful with over 24,000 customers paying for the green waste service. In order to allow the service to continue to deliver a quality service and reach a breakeven financial position, it is not proposed to increase its collection charges for next financial year.

With respect to Community Safety and Licensing, further work has been undertaken with respect of the current charging structure and a review of the underlining cost drivers for each of the service activity has been done. This has led to a proposed increase which will ensure the service achieves breakeven position. The details of the new charges are shown at appendix A.

In all other respects, charges are proposed to increase in line with inflation (RPI as at September 2012 at 2.6%).

4. OTHER OPTIONS CONSIDERED

N/A

5. RESOURCE IMPLICATIONS

The fees and charges are compiled as part of the budget setting process.

6. RISK AND MITIGATION (INCLUDING HEALTH & SAFETY AND DATA QUALITY)

N/A

7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT

This will be considered as part of the introduction of the changes in fees and charges.

8. CRIME AND DISORDER IMPLICATIONS

None

9. COMMENTS OF FINANCIAL SERVICES

Financial considerations are included in the report.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The Council has the power to charge for the delivery of discretionary services in accordance with s.93 of the Local Government Act 2003. The power to charge is available provided the income received does not exceed the cost of the provision of the service.

11. APPENDICES:

Appendix A - Proposed fees and charges 2013/14