

REPORT TO CABINET

REPORT OF: RESOURCES AND ASSETS PORTFOLIO HOLDER
REPORT NO.: CHFCS85

DATE: 4 January 2010

TITLE:	FEES AND CHARGES PROPOSALS 2010/11	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Key Decision	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Councillor Mike Taylor Resources and Assets Portfolio Holder	
CONTACT OFFICER:	Richard Wyles Corporate Head of Finance and Customer Services 01476 406210 r.wyles@southkesteven.gov.uk	
INITIAL IMPACT ASSESSMENT: Equality and Diversity	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required: (Undertaken as part of each specific fee consultation)
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Local Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS		

1. RECOMMENDATION

i) Cabinet is asked to consider the proposed fees and charges for 2010/11 that have been recommended from Resources PDG and agree which of the proposals should be taken forward for the appropriate consultation prior to their inclusion in the budget:

- Market charges – page 1 of the appendix
- Fair charges – page 2 of the appendix
- Bus station departure charges – page 3 of the appendix
- Cycle Centre charges – page 4 of the appendix
- Outdoor Recreation – page 5 of the appendix
- Grantham Cemetery – page 6 of the appendix
- Arts centres and Corn Exchange – page 7 of the appendix and the formation of a fees and charges policy to be agreed with the Healthy Environment Portfolio Holder

Street Scene – page 8 of the appendix:

- increase of the green waste joining fee to £40. This fee includes the first year collection charge (£26 if no annual collection charge is introduced)
- Replacement costs in respect of damaged wheelie bins (where damaged by the user)
- the introduction of an annual green waste collection charge of £20
- Introduction of MOT testing for all hackney carriage and private hire vehicles at the Council MOT testing station. This proposal should be supported by a full business case that clearly sets out the resource implications and full service impact assessment.
- Healthy Communities – page 9 of the appendix
- Environmental Protection – pages 10-12 of the appendix
- Helpline service – page 13 of the appendix
- Re-affirm the decision to consult on the proposed car parking charges – detailed on pages 14-15 of the appendix.

2. PURPOSE OF THE REPORT

The fees and charges proposals for 2010/11 have been compiled in accordance with the Council's Fees and Charges strategy and are appended to this report. These will also be taken into consideration as part of the budget compilation for 2010/11.

3. DETAILS OF THE REPORT

At its last meeting on 7 December 2009, Cabinet considered the proposals in respect of fees and charges for the financial year 2010/11. In order to ensure the appropriate level of detail is provided Cabinet requested that the report is re-presented. However given the timescale involved in the required consultation process in respect of car parking charges, Cabinet agreed to approve the proposed car parking tariffs presented at the meeting subject to the recommendation put forward by Communities PDG being considered by the appropriate Portfolio Holders. Details of the car parking proposals for 2010/11 are included in this report for completeness.

This report sets out the proposals for the new fees and charges that have been recommended by the Resources PDG.

The Resources PDG has established a working group to fully consider the fees and charge proposals for the forthcoming year. Two focussed meetings have been held and the Group's attention has been to fundamentally review the current fees and charges and to consider new charging proposals. This year's review has been undertaken within the context of a particularly difficult financial climate and the Resources PDG has been mindful of the need to balance any proposed increases with both the increasing likelihood of significant financial pressures the Council will be facing in the medium term and the impact of the

customer. The meeting consisted of officers for the relevant areas presenting their proposals to members and being asked to clarify the policy and basis for the proposals. The outcome of these discussions is summarised below and the details of the proposals are appended to this report. The attached appendix also details the previous years charge, the effective date of the new charge and the VAT treatment. The proposals are:

Building Control – the service has been under a constant review during the financial year as the housing market is having a detrimental effect on the building control income being received. The chargeable activity element of the service has a requirement to achieve a breakeven financial position over a rolling three year period. As this is not being achieved, a number of measures have been implemented during this year in order to reduce the expenditure level and align the resources to the work now been undertaken. In respect of the fees and charges for 2010/11 at the present time there is no proposal to increase them beyond the current fee level given the competitive environment in which it operates.

Development Control – these are statutory charges set by central government and the Authority will be notified of any increase in due course.

Local Land Charges – The principle behind the level of fees to be set are based on service cost recovery. Any increases in existing charges are currently being considered by the Corporate Head of Sustainable Communities. However Cabinet should be made aware there is currently a national review of the type of fees that can be imposed in respect of the service. If this review concludes certain elements of the service are non-chargeable this will result in income levels being reduced which in turn will necessitate the need to review the current levels of expenditure.

Market Charges – The Working Group considered two charging options for 2010/11 in respect of the market charges. The first option was based on the current practice of the Council collecting and removing all trade waste. The second option considered an alternative proposal whereby the traders themselves would remove their own trade waste. The second option did not include a fee increase to reflect the reduction in Council costs. The Group considered both options and felt that the current operational arrangements should remain in place and proposed option 1 (including a modest increase). The Group also proposed the introduction of a new charge of £5 (per week) for those stall holders (fruit and vegetable sellers) that generate a high volume of trade waste.

Fairs – based on cost recovery and in line with the associated costs.

Bus stations – in line with existing Council policy the proposed increases for 2010/11 aim to ensure the service reaches a cost recovery position by 2011/12. The Group proposed that the charges at all three bus stations should be set at the same level.

Grantham Cycle Centre – an above inflation increase is proposed as the charges had not been increased for a number of years.

Outdoor recreation – increase in line with the associated costs of providing the service.

Grantham Cemetery charges – an increase is proposed based on a cost recovery basis. Cabinet are reminded that the Grantham Cemetery is within the Grantham Special Expense Area and all associated costs and income are charged accordingly. The Group therefore supported the continuation of the 50% surcharge for non-parishioners.

Arts Centres and Corn Exchange – the published fees and charges have been reviewed by the service manager and are now shown under specific headings. The Group supported the proposal to allow flexibility to be incorporated into the charges levied based on an assessment of the user type, frequency and usage time. However a policy needs to be established that clearly sets out the criteria for the application of the charges. The policy will need to be consulted on before it can be introduced. The service is also requested to remove any existing charging arrangements that do not align with the published charges and ensure that all charges are applied consistently with the new policy.

Street Scene Services – a number of proposals were considered;

- The joining fee in respect of the green waste service should be increased to £26. The fee would ensure the Council recovers the associated costs of procurement, storage costs, administration and delivery of the bin to the customer.
- Green waste collection – The Working Group considered the introduction of charging an annual amount for the collection of green waste. In the context of the financial climate the Council is facing the Group considered it was necessary to review all service areas (particularly discretionary services) and consider charges where there is a specific user base. Furthermore the costs associated with this service had increased and the budgeted costs for 2010/11 is approximately £500K. Based on the current and projected number of service users a charge of £20 per annum would ensure the service can achieve a breakeven position. To incentivise users to pay by direct debit a reduced charge of £18 per annum is proposed. Communities PDG is also considering this proposal as part of a review of the current policies in place and in the context of local and national waste management strategies. A separate recommendation will be made by Communities PDG to Cabinet following their review.
- MOT testing – the proposal is to introduce a requirement for all taxi MOT's to be undertaken by the Council MOT testing station at Alexandra Road Grantham. This additional work can be contained within existing staffing levels based on projected volumes of vehicles.

Healthy Communities – the Group proposed increases to the premise regulation fees to ensure officer time associated with the inspection is fully recovered. Based on the same cost recovery criteria a new charge in respect of additional individual registration fees and a star rating re-inspection is also proposed.

Environmental Protection – no increases in respect of hackney carriage licences are proposed as the increase for the 2009/10 fees were set at a level higher than inflation. However the Group recommended that the budgets in respect of the service should be set to ensure full cost recovery and a breakeven position. The current proposals achieve this aim. Other service related increases are in line with service costs.

Helpline charges – The Group proposed an inflationary increase in line with expenditure.

Car parking charges – the Group considered a number of options in respect of the car parking charges for 2010/11 and took into consideration the following:

- Usage and behaviour data
- Profile of the car park classification in the context of the economic needs of each town
- Comparison tariff information

The preferred tariff proposals are appended to the report. Communities PDG has also considered the car parking proposals at their meeting on 17 December 2009 and their recommendation will be reported back to the Cabinet.

4. OTHER OPTIONS CONSIDERED

The Group consider a number of options as part of the fees and charges review. The specific proposals are included in the report.

5. RESOURCE IMPLICATIONS - FINANCIAL

The review has been undertaken in accordance with the Fees and Charges strategy and the Medium Term Financial Plan and having regard to the financial position of the Council in the medium term. The proposals reflect a balance to assist the Council in achieving a sound financial position and the need to ensure service delivery and quality is maintained.

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

These will be incorporated into the consultation process in respect of each fees and charges proposal.

7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT

These will be incorporated into the consultation process in respect of each fees and charges proposal.

8. CRIME AND DISORDER IMPLICATIONS

None applicable

9. COMMENTS OF SECTION 151 OFFICER

My comments are included in the report. I would like to thank the members of the Resources PDG for their hard work in this review.

10. COMMENTS OF MONITORING OFFICER

The purpose of this report is to obtain the approval of Cabinet to the proposed fees and charges for the purposes of consultation. The appropriate and relevant comments received from consultation will be taken into account and reported to Cabinet for recommendation to full Council as part of the budget setting process.

Members must satisfy themselves that affected stakeholders will be appropriately consulted and feedback on the consultation process taken into account before the fees and charges are finally approved by full Council as part of the budget process.

The car parking charges legislation requires statutory consultation for a specified period. That consultation process must start now to ensure the consultation process is carried out in accordance with the legislation. The change of car park status from long stay to short stay and vice versa requires longer consultation than the change of charge. Any proposed change of status of car park cannot be introduced within the time frame required for the budget setting process for the year 2010/11.

The current provision of MOT testing for hackney carriage and private hire vehicles is carried out by approved providers throughout the district. I am not aware of any decision by the Licensing Committee or otherwise to discontinue this practice. I know of no reason why the in-house provision cannot be an approved provider of MOT testing, subject to satisfaction of the approval criteria, together with all other current approved providers and the appropriate charges for such a service set accordingly.

11. APPENDIX:

The fees and charges proposals are appended to the report.