

This Report will be made public on 7 November 2017

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/17/54**

To: Cabinet
Date: 15 November 2017
Status: Key Decision
Head of Service: Charlotte Spendley, Head of Finance
Cabinet Member: Councillor Malcolm Dearden, Finance

SUBJECT: FEES AND CHARGES 2018/19

SUMMARY:

This report focuses on the proposed fees and charges for 2018/19 which will contribute towards meeting the council's 2018/19 budget objectives and Medium Term Financial Strategy.

The Council's Fees and Charges Policy was approved by Cabinet on 8 September 2010 (Report C/10/24). This report recommends some changes to the Policy to ensure it remains relevant and up to date.

RECOMMENDATIONS

- 1. To receive and note report C/17/54.**
- 2. To approve:**
 - (i) The 2018/19 fees and charges which are set at the discretion of the council for the General Fund and Housing Revenue Account, as outlined at Appendix 2;**
 - (ii) The statutory charges subject to discretionary charges at Appendix 3; and**
 - (iii) To note the statutory charges at Appendix 4.**
- 3. To approve the recommended changes to the Fees and Charges Policy, as detailed in the report.**

1. INTRODUCTION AND BACKGROUND

1.1 The Fees and Charges Policy sets out the Council's charging framework. The proposed changes to the Fees and Charges Policy for 2018/19 are highlighted at Appendix 1 and relate to the addition of two new exceptions to the principles of full cost recovery and inflationary increases:

- Commercial activities - where fees and charges need to respond to market conditions or their ability to compete effectively for tenders. These will be discussed with the relevant portfolio holder at the appropriate time but will be on the basis of covering all costs at a minimum.
- Statutory charges - over which the council has no control and will be introduced as per the respective guidance and will not be subject to this policy

Price Inflation

1.2 The proposal for 2018/19 is to apply the CPI rate at June 2017 (2.6%) as the benchmark for price increases. There are exceptions to this principle where an inflationary increase is anticipated to have an adverse impact on demand or where it would place the charge out of line with comparable services in neighbouring councils.

1.3 The proposed discretionary fees and charges for 2018/19 are detailed at Appendices 2 and 3. Statutory charges are shown in Appendix 4.

1.4 A further report will be presented to Cabinet in December 2017 which sets out the proposed charges for car parking in 2018/19.

2. PROPOSED NEW GENERAL FUND FEES AND CHARGES

Discretionary – Appendix 2

Environmental Information / General Data Protection Regulation (GDPR) Requests

2.1 Proposed new charges for Freedom of Information, Environmental and Data Protection requests following deletion of the statutory Data Protection and Access to Files charge from May 2018.

Commercial & Technical

2.2 Proposed new charges for daily Lifeline check calls:

- Quarterly: £17.20
- Annual: £68.60

Community Services

2.3 Proposed new charges for:

- Premise Licence - pre-application - £24 per hour for written advice (basic); £45 per 30 minute meeting with written advice
- Environmental Protection - £10 per hour for works in default (returning seized goods and removal of fly posting)
- Food Hygiene Scheme - £45 per re-rating application

Human Resources - Cemeteries

2.4 Proposed new charges for:

- Family History Requests - £30 per request, increasing to £60 for requests for more than three names.
- Administration fees of £50 for replacement headstones, burial where ashes are added and mixing of two ashes

3. PROPOSED DELETION OF GENERAL FUND FEES AND CHARGES

Discretionary – Appendix 2

Data Protection/Access to Files charges

- 3.1 The Data Protection and Access to Files charges have been deleted from the statutory fees and charges schedule in anticipation of introduction of the General Data Protection Regulation on 25 May 2018.

Hythe Pool

- 3.2 Proposed increase in various charges (2.0% to 2.6%); other charges have been reduced or deleted to increase uptake and remain in line with other centres eg. deleted membership joining fee. Full details are set out in Appendix 2.

Shingle Extraction

- 3.3 The annual fee is not forecast to be recovered in 2018/19. The consequent budget growth requirement of £40,850 is addressed in the 2018/19 Budget Strategy report on this agenda.

Lifeline

- 3.4 Proposed deletion of the Neo-Falls Detector fees. This equipment is no longer supplied.

Financial Services

- 3.5 Charges to customers who pay by credit card will be deleted for 2018/19 in line with the EU Payment Services Directive II which comes into force on 13 January 2018. The consequent budget growth requirement of £13,300 is addressed in the 2018/19 Budget Strategy report on this agenda.

Statutory Charges Subject to Discretionary Fees - Appendix 3

Local Land Charges

- 3.6 The Statutory Additional Questions fee is no longer charged.

4. PROPOSED CHANGES TO GENERAL FUND FEES AND CHARGES

Discretionary – Appendix 2

Housing

- 4.1 The charge for use of mobile scooter stores has been amended to £2.30 with the intention of encouraging residents to store their scooters outside our sheltered schemes.

Street Naming & Numbering

- 4.2 Proposed increase in the charge per additional unit (over 20) from £22.80 to £30.

Hythe Pool

- 4.3 Proposed increase in various charges (2.0% to 2.6%); other charges have been reduced or deleted to increase uptake and remain in line with other centres eg. deleted membership joining fee. Full details are set out in Appendix 2.

Waste and Recycling

- 4.4 Proposed increase in charges:
- Bulky household waste collection charge (for 1 and 2 items) - 2.6%.
 - Garden Waste subscription – an increase of £1 per annum
- Fees and charges for wheeled and other bins – no change.

Grounds Maintenance

- 4.5 Proposed increase (2%) in charges for football pitches; income budget increased from £4,250 to £8,000 to reflect increased fees and current usage.

- 4.6 Proposed increase in charges for Green Lane allotments.

Lifeline

- 4.7 Proposed increase in the majority of charges of between 2% and 3%.

Housing Services Charges

- 4.8 Two statutory charges have been added to the schedule
- Penalty Charge for breach of Smoke and Carbon Monoxide Alarms (England) Regulations 2015;
 - The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014.

Immigration Inspection Fee

- 4.9 Proposed increase from £120 to £126.

Dog Control

- 4.10 Fees for flea treatment (£8) and vaccination charge (£25) have been added to the schedule. Income budget increased from £1,000 to £4,800.

Fixed Penalty Notices

- 4.11 Proposed increase in some charges for fixed penalty notices from £80 to £100. The wording of dog offences has been amended to reflect introduction of the Public Space Protection Order 2 in 2016.

Cemeteries

- 4.12 Proposed increase (2.6%) in the majority of cemeteries fees and charges. Fees remain comparable to those of neighbouring authorities.

- General photocopying
- 4.13 Proposed increase; this service is subject to review as demand is now very low and it is no longer cost effective to administer.

- Council ID Cards
- 4.14 Proposed increase from £5.00 to £7.50 to reflect the costs of printing and issuing new cards.

Statutory Charges Subject to Discretionary Fees - Appendix 4

- Local Land Charges
- 4.15 Proposed amendment to separate the Basic Research (CON29) and Official Search (LLC1) fees.

- 4.16 Planning Fees
The Government's Housing White Paper (February 2017) announced that councils in England would be able to raise planning fees by 20 per cent from July 2017. The Department for Communities and Local Government then wrote to local planning authorities to offer them a deal: the 20 per cent fee increase, in return for a commitment to 'invest the additional fee income in their planning department'. All councils in England accepted this offer, which was then delayed following the general election earlier this year. The fee increase will commence at the beginning of 2018.

5. 2018/19 GENERAL FUND BUDGET IMPLICATIONS

- 5.1 The changes to fees and charges that are proposed for 2018/19 are anticipated to increase net income receipts by approximately £57,900.

The increase comprises:

	£	£
Reduced income:		
Credit Card charges	13,300	
Shingle Extraction	40,900	54,200
Increased income		
Off-Street Parking	-90,000	
Dog Control	-1,000	
Pollution Reduction	-3,200	
Green Waste	-7,500	
Bulky Waste Collections	-1,200	
Donated Seat Income	-5,300	
Football pitches	-3,800	
Allotments	-100	-112,100
Net		£57,900

6. PROPOSED AMENDMENTS TO HOUSING REVENUE ACCOUNT FEES AND CHARGES

Charges for Wastewater Treatment Works and Pumping Stations

- 6.1 The 2017/18 Fees and Charges report highlighted that the HRA subsidises the cost of this service. As in previous years, Cabinet agreed to limit increases on the charge for this service for existing users to annual increases of 8% in 2017/18 where users of the service were already paying the maximum charge of £810 per property. Users whose charge was lower than this would continue to pay the actual cost of the service up to the capped maximum amount. Cabinet has also previously agreed that new purchasers of properties, who buy under the 'Right to Buy' scheme, pay the actual cost of wastewater treatment works and cesspools.

The increase to the capped charge takes it from £810 in 2017/8 to £875 in 2018/19 and will reduce the HRA subsidy to £6,000 from £8,000.

Cesspools

- 6.2 In 2017/18 the same principle of the council recovering its costs up to a maximum of £810 for each household has previously been approved for the 7 council-owned properties which drain to cesspools. This produces annual income of £5,670. The cost of the service in 2016/17 was £9,410. If the cost is about the same in 2017/18 the HRA would be subsidising the service by approximately £3,740. In line with the above, it is recommended that the cap remains at the already approved figure of 8% per annum for 2018/19 taking the annual charge to £875.
- 6.3 Charges to tenants for garages, parking, room hire, etc. are to be increased by 2.6%
- 6.4 The budget implications of these changes will be reflected in the Housing Revenue Account and Capital Original Budget 2018/19 report to Cabinet in February 2018.

7. RISK MANAGEMENT ISSUES

- 7.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Income targets are not achieved resulting in a budget deficit	High	Medium	All fees and charges and income budgets are reviewed in detail each year to ensure that they are reasonable and achievable.

8. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

8.1 Legal Officer's Comments (DK)

As a general rule, the Council is under a duty to act fairly in its decision-making, including exercising its discretion to increase relevant fees and charges. The Localism Act 2011 gives the Council a wide ambit of power to charge for its services and section 93 of the Local Government Act 2003 gives the Council capacity to charge for relevant services; on the basis it is doing so without 'trading' (or making a profit).

8.2 Finance Officer's Comments (AK)

The financial implications are set out in the report.

8.3 Diversities and Equalities Implications (AK)

The budget report to Full Council in February 2018 will include an Equality Impact Assessment of the budget recommendations for 2018/19.

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Alan King, Group Accountant (General Fund)

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The following background documents have been relied upon in the preparation of this report:

Budget working papers

Appendices:

Appendix 1 - Fees and Charges Policy

Appendix 2 - Discretionary Fees and Charges Schedule

Appendix 3 - Statutory Fees Subject to Discretionary Charges Schedule

Appendix 4 - Statutory Fees Schedule

General Fees and Charges Policy

All fees and charges are subject to the following general policy.

1. There shall be full cost recovery so that general council taxpayers are not subsidising the costs of an optional service. Any exceptions to this rule can only be agreed by cabinet. Where there is a substantial change between the current charge and the full cost recovery amount, the increase can be staggered over a period of up to three financial years.

In addition:

2. Fees and charges are increased by the current rate of inflation (generally rounded up to the nearest 10p).

The main exceptions to this rule are:

- Court fees
- Room bookings at the civic centre – voluntary organisations
- Car parking – as subject to review in the Car Park Strategy
- Building control – subject to full cost recovery of building control chargeable element.
- Contract charges with other organisations which are subject to separate negotiations
- [NEW] Commercial activities - where fees and charges need to respond to market conditions or their ability to compete effectively for tenders. These will be discussed with the relevant portfolio holder at the appropriate time but will be on the basis of covering all costs at a minimum.
- [NEW] Statutory charges - over which the council has no control and will be introduced as per the respective guidance and will not be subject to this policy