

TRAFFORD BOROUGH COUNCIL

Report to: Executive & Council
Date: 18 February 2015
Report for: Decision
Report of: The Executive Member for Finance and the Director of Finance

Report Title

FEES, CHARGES & ALLOWANCES 2015/16

Summary

This report summarises the salient features of the annual review and pricing of the Council's main fees and charges. The booklet that details individual fees and charges can be found on the Council's website in the area that supports the agenda.

The Fees and Charges booklet represents the main fees and charges to the public upon which the Executive's proposed budget for 2015/16 has been based. Most fees and charges have been reviewed and amended as appropriate either by regulation or as aligned to the budget process. New charges for 2015/16 or revised wording to existing charges are highlighted in blue on the Schedule and significant changes are referred to in paragraph 3.3 below.

The fees and charges are inclusive of VAT, where indicated, and delegated authority to Corporate Directors and the Director of Finance, is sought to amend the level of the relevant fee or charge as appropriate if there are changes to the rate of VAT during 2015/16, which is the Council's traditional practice.

As in previous years, the majority of fees and charges have been coded as to the extent of discretion the Council has to establish the fee or charge, and then the level of discretion to determine the level of fee or charge.

The Council is in the process of procuring a Joint Venture Contract (JVC) for the delivery of Environmental, Highways, Street Lighting and Property Services, with effect from 1st July 2015. A decision will be made by Executive on 16th March 2015 and if approved, the JVC provider(s) may require the ability to make commercial decisions on future levels of certain fees and charges, where appropriate.

Recommendation(s)

It is recommended that:

- **The Fees and Charges for 2015/16, as set out in the booklet available on the Council's web site, be approved.**
- **Approval is given to Corporate Directors and the Director of Finance with the joint delegation to amend fees and charges during 2015/16 in the event of any change in the rate of VAT, as appropriate.**
- **Approval is given to the Corporate Director, Economic Growth, Environment and Infrastructure, and the Director of Finance with joint delegation to amend fees and charges in line with commercial negotiations with the Joint Venture Partner(s) (if approved).**

Contact person for access to background papers and further information:

Name: Councillor Patrick Myers, Executive Member for Finance
Ian Duncan, Director of Finance

Extension: 1886

Implications:

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed budget for 2015/16 cross cuts all key priorities and policies.
Financial	The report sets out the proposed Fees and Charges for 2015/16.
Legal Implications:	It is a statutory requirement for the Council to set and approve a balanced, robust budget and council tax level. Budget proposals take account of various legislative changes as they affect Council services. The Council has begun the statutory processes associated with the effect of the proposed budget on staffing levels.
Equality/Diversity Implications	Equality impact assessments to be carried out supporting the budget proposals as appropriate
Sustainability Implications	None arising out of this report
Staffing/E-Government/Asset Management Implications	Human Resources – statutory processes have begun and the impact on staffing is still subject to consultation.
Risk Management Implications	An impact assessment of each budget proposal is undertaken as part of the overall budget setting process.
Health and Wellbeing Implications	Not applicable
Health and Safety Implications	An impact assessment of each budget proposal is undertaken as part of the overall budget setting process.

Other Options

All options at an individual fee or charge basis would have been considered, where appropriate, during the budget process.

Consultation

A budget consultation has been carried out, the details and results of which are shown in Section 2 of the Budget Report.

Reasons for Recommendation

To fulfill the obligations outlined in the Council Constitution for the budget process.

Key Decision

This is a key decision currently on the Forward Plan: Yes

Finance Officer ClearanceID.....

Legal Officer ClearanceJLF.....

DIRECTOR'S SIGNATURE

(electronic).....

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

INTRODUCTION

- 1.1 The detailed fees and charges booklet is available on the Council's web site alongside other agenda items. This booklet represents a schedule of the main fees and charges which the Executive is proposing to charge for services in 2015/16 and included in the revenue budget proposals for 2015/16 to be presented to Council on 18 February 2015.
- 1.2 It should be noted that the booklet mostly relates to fees and charges levied on the general public, businesses or service users. Trading income, particularly internal trading income such as that with Schools, is not covered within the fees and charges booklet as it is subject to individual contracts and negotiations.

2. COUNCIL DISCRETION IN SETTING FEES & CHARGES

- 2.1 All fees and charges are subject to relevant legal constraints. Some fees and charges are required by law to be established and administered by the Council, others can be established at the Council's discretion. Once established, regulations then influence the extent or level of the fee or charge. Some fee or charge levels are set by regulation, others are limited by regulation, and some can be determined freely by the Council, though subject to other influencing factors such as competition.
- 2.2 The schedule of fees and charges indicates which fees are Mandatory (M) and which are Discretionary (D) for both the establishment of the charge (the first indicator) and then setting the level of the charge (the second indicator). For example, a fee that must be established and administered by the Council, but the level of fee or charge can be freely determined by the Council would be marked 'M / D'.

How is it determined that a fee or charge can be levied?	Who or how is the rate of the fee or charge determined?	Example of Fee or Charge	KEY
Regulation	Regulation – the rate of charge is fixed by regulation	Registrar Certificates Gaming Permits	M / M
Regulation	Regulation –the Council can choose between lower and/or upper limits	Casino applications Entertainment Licences	M / D*
The Council	Regulation – the Council can only recover costs & reasonable overheads and/or between upper and lower limits or other limit	Fixed Penalty Notices	D / D*
Regulation	The Council	Environmental searches Marriage & Civil Partnerships	M / D
The Council	The Council	Library charges Land charges & search fees	D / D

2.3 The above table has been RAG shaded in terms of extent of Council discretion from red (top 1) where fees and charges are mostly determined by regulation, to green (bottom 2) where the Council has greater control on establishing and setting fee or charge levels. In the middle, or amber zone, Council's discretion is limited by regulatory rules, and for the fees or charges that are subject to such rules a code of 'D*' is used in the booklet, usually with a statement that describes the relevant rule at the bottom of the page or table.

3. Summary of Fees and Charges movements

3.1 The booklet states the percentage increase for each fee or charge. The following table provides key statistics by the type of charge using the coding system outlined in section 2. It should be noted that an increase in the level of fee or charge may not generate the same increase in actual revenue as purchases or uses of the service may vary. Further, any average increase does not suggest the increase in total revenue as some charges may increase substantially in percentage terms but not in monetary, and that some charges are levied more often than others.

Discretion Code	No. of Charges (No')	As a % of the Total (%)	Charges yet TBA (No')	% of Charges that have changed (%)	Average increase *
M / M	62	6%	0	24%	2%
M / D*	80	7%	0	0%	0%
D / D*	13	1%	0	0%	0%
M / D	64	6%	0	88%	3%
D / D	857	80%	12	75%	8%
Total	1,076		12	67%	8%

* This does not represent an 8% increase in income as the averages are calculated as a simple average increase on the unit charges and are not weighted by the level of income generated by each charge.

3.2 Nearly 25% of mandatory fees have changed by an average of 2%. Where the Council has discretion to increase the charge level, all such charges have been reviewed as part of the budget process, and consequentially there is much greater movement in those fees and charges. Where the Council has discretion to charge up to a maximum amount set by legislation, many of the current fees are already close to the statutory limit.

3.3 The key highlights with regard to specific charges are:

Adult Social Services

- Charges for Domiciliary care are dependent on the actual rates charged by providers of care. The Council is currently in the final stages of negotiations with service providers to agree charges for 2015/16. Rates are expected to be agreed by the end of February 2015.

Economic Growth, Environment & Infrastructure; has the majority of the Council's fees and charges. The main changes within this service are:

- Parking fees have been increased in line with the budget proposals for 2015/16 and following public consultation;
- Hackney Vehicle Licence (Renewal) - the 15/16 fee of £342 includes the additional cost of a demand survey of £94. This is a mandatory requirement and is carried out every 3 years. The fee will reduce back in 16/17;
- The Exceptional Vehicle Condition test (+100%) and the Vehicle Retest (+28.2%) fees for taxis have been increased to cover the additional costs incurred by the testing station contractor;
- The English Language Assessment test for taxi drivers is carried out by an independent College and recharged to the Council. The Fee from the college increased to £40 from 1 April 2015;
- New Building Regulation fees relating to (i) completion certificates for archived and dormant Building Regulations applications (+21.4%), and (ii) pre-submission site visits (+30.8%), have been increased to bring them in line with fee's charged by other AGMA authorities;
- Allotment fees for 2015/16 have increased as approved by Council in February 2014.

3.4 The schedule of fees and charges has been reviewed by management, and amendments made to include those fees and charges which should be brought to the attention of Council at the time of setting the budget, or exclude those that are superfluous.