

TRAFFORD BOROUGH COUNCIL

Report to: Executive & Council
Date: 19 February 2014
Report for: Decision
Report of: Deputy Leader & Executive Member for Finance and the Director of Finance

Report Title

FEES, CHARGES & ALLOWANCES 2014/15

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 2014/15 has been based. Most fees and charges have been reviewed and amended as appropriate either by regulation or as aligned to the budget process.

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 2014/15, 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.

Recommendation(s)

It is recommended that:

- The Fees and Charges for 2014/15, as set out in the booklet available on the Council's web site, be approved.**
- Notice is given of the intent to increase allotment fees by 50p per week for a standard and additional concessionary plot, and a concessionary charge for a first plot to be increased by 25p per week, in 2015/16.**
- Approval is given to Corporate Directors and the Director of Finance with the joint delegation to amend fees and charges during 2014/15 in the event of any change in the rate of VAT, as appropriate.**

Contact person for access to background papers and further information:

Name: Councillor Sean Anstee, Deputy Leader and Executive Portfolio Holder for Finance
Ian Duncan, Director of Finance

Extension: 4884

Implications:

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed budget for 2014/15 cross cuts all key priorities and policies.
Financial	The report sets out the proposed Fees and Charges for 2014/15.
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 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 ClearanceJL.....

CORPORATE DIRECTOR'S SIGNATURE

(electronic).....**WM**.....

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 2014/15 and included in the revenue budget proposals for 2014/15 to be presented to Council on 19 February 2014.
- 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	61	6%	0	28%	2%
M / D*	81	8%	0	1%	0%
D / D*	13	1%	0	0%	0%
M / D	53	5%	2	77%	6%
D / D	870	87%	0	80%	8%
Total	997		2	77%	8%

3.2 Nearly 30% 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 2014/15. Rates are expected to be agreed by mid- February.
- Unlike in previous years, there is no change in the Council's Community Care Charging Policy.

- The various means tested benefits and allowances used within the Charge for Residential Accommodate Guide (CRAG) as prescribed by Government have increased between 1% and 3.6%.

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

- Pest Control – withdrawal of 50% reduction for benefit claimants;
- Cemeteries & Crematorium – new charges for grave widening and an increase of 181% for 'Public Grave' interment to bring it in line with a 'Resident fee' burial;
- Stray dogs – 36% increase in charge which now includes a statutory fixed fee of £25 as well as costs of the Animal Warden and subsequent kennelling costs;
- New charges introduced for Scrap metal licences;
- It should be noted that there are no increases for on/off street parking charges and residents parking permits;
- All existing private hire and hackney carriage fees have been frozen, with the exception of roof signs, which have increased by 58% in line with cost of materials;
- Allotment fees for 2015/16 have also been notified in line with the terms of the lease agreements.

Economic Growth & Prosperity

The main change relates to new charges for Building Control certificates and research work.

- 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.