

TRAFFORD BOROUGH COUNCIL

Report to: Executive & Council
Date: 22 February 2017
Report for: Decision
Report of: The Executive Member for Finance and the Chief Finance Officer

Report Title

FEES, CHARGES & ALLOWANCES 2017/18

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 2017/18 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 2017/18 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 Chief Finance Officer, is sought to amend the level of the relevant fee or charge as appropriate if there are changes to the rate of VAT during 2017/18, 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 2017/18, as set out in the booklet available on the Council's web site, be approved.
- Approval be delegated jointly to each Corporate Director with the Chief Finance Officer to amend fees and charges during 2017/18 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 Patrick Myers, Executive Member for Finance
Nikki Bishop, Chief Finance Officer Extension: 4238

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	Value for Money. The proposed draft budget for 2017/18 supports all key priorities and policies.
Financial	The report sets out the proposed Fees and Charges for 2017/18.
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 and will continue to comply with the statutory processes associated with the effect of the proposed budget on staffing levels.
Equality/Diversity Implications	The Council has complied with the requirements of its Equality Duty and where appropriate an Equality Impact Assessment was undertaken and considered. Those Equality Impact Assessments are published as background papers to this report.
Sustainability Implications	None arising out of this report.
Staffing/E-Government/Asset Management Implications	Human Resources – statutory processes have been complied with during the course of these budget proposals in respect of staffing implications.
Risk Management Implications	The risks associated with the budget proposal have been considered.
Health and Wellbeing Implications	The Council has complied with the requirements of its Equality Duty and where appropriate an Equality Impact Assessment was undertaken and considered. Those Equality Impact Assessments are published as background papers to this report.
Health and Safety Implications	The health and safety implications of the budget proposals have been considered.

Other Options

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

Consultation

The details and results of the budget consultation exercise are referred to in the Council's main Budget Report together with the review of the proposals and process by the Council's Scrutiny Committee.

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 ClearanceGB.....

Legal Officer ClearanceMJ.....

CORPORATE DIRECTOR'S SIGNATURE



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. It represents a schedule of the main fees and charges which the Executive is proposing to charge for services in 2017/18 and included in the revenue budget proposals for 2017/18 to be presented to Council on 22 February 2017.
- 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. The Council also charges for certain services on a commercial basis, in competition with other providers, and these are excluded from the booklet for this reason (e.g. trade waste).

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	64	8%	0	19%	2%
M / D*	80	10%	0	0%	0%
D / D*	11	1%	0	0%	0%
M / D	66	8%	0	77%	4%
D / D	615	73%	0	54%	19%
Total	836	100%	0	48%	16%

This does not represent a 16% 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 Approximately 19% 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:

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

- Parking Fees - these have increased in line with the proposals included in the Council's main Budget Report, and following consultation;
- Pest Control - charges have been rationalised and also re-set to better reflect how the service is delivered and the cost of delivery. Pest control

operates in a commercial environment and fees have also been reviewed with this in mind;

- Stray Dogs - the fee has been reviewed to better reflect the recovery of actual costs of delivery.

Transformation & Resources: The main changes within this service are:

- Nationality Checking Service - two fees relating to children have increased by more than 10.0% to better reflect cost recovery;
- Libraries - Adult fines have increased in line with an AGMA review to simplify charges across Greater Manchester;
- Musical Scores - fees have increased to reflect increasing costs.

- 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 or negotiated on a commercial basis.

4. Recommendations

4.1 It is recommended that:

- The Fees and Charges for 2017/18, as set out in the booklet available on the Council's web site, be approved.
- Approval be delegated jointly to each Corporate Director with the Chief Finance Officer to amend fees and charges during 2017/18 in the event of any change in the rate of VAT, as appropriate.