

TRAFFORD BOROUGH COUNCIL

Report to: Executive and Council
Date: 20 February 2019
Report for: Decision
Report of: The Executive Member for Finance and the Corporate Director of Finance and Systems

Report Title

FEES, CHARGES & ALLOWANCES 2019/20

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 2019/20 has been based. Fees and charges have been reviewed and amended as appropriate either by regulation or as aligned to the budget and service planning process. New charges for 2019/20 or revised wording to existing charges are highlighted in blue on the schedule and significant changes are referred to in paragraph 3.3 below.

In particular policy proposals reflected in this report:

- Garden Waste collection charges are to end in June 2019 following the expiry of current year's permits;
- Charges for Deferred Payment Agreements (DPA's) and Proposed Rates for Alternative Funding Arrangements - the Council propose to introduce interest charges as defined in Care and Support regulations. The Council also intends to charge for the legal costs associated with DPA's;
- A review of Car Parking charges;
- Animal Welfare – new fee structure to reflect the increased level of work that must be carried out to determine & enforce the new animal welfare licensing legislation;
- Pest Control – some of the charges have increased by more than 5% to better recover the costs of delivery;
- Planning – pre application advice - new fees have been introduced and two increased above 5% to better reflect the complexity of cases and full cost recovery;
- Registration of Births, Deaths and Marriages – a number of charges have been set for the next two years, (2019/20 and 2020/21), and therefore require specific approval. Also new charges for 'Outdoor' blessing type and 'Tailor-made' marriage ceremonies have been introduced in response to demand for

such services and to improve the service offered to the public;

- Registration of Births, Deaths and Marriages – the Priority Service for certificate application fee has been made Statutory by the General Register Office and is 233% higher than the previous Discretionary fee set by the Council;
- Registration of Births, Deaths and Marriages – fees and charges have been updated to include checking services for the European Passport Return Service and the new European Settlement Service pilot;
- Cemeteries & Crematorium services – new fees introduced to provide wider customer choice.

The fees and charges are inclusive of VAT, where indicated, and delegated authority to Corporate Directors and the Corporate Director of Finance and Systems, is sought to amend the level of the relevant fee or charge as appropriate if there are changes to the rate of VAT during 2019/20, 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)

That the Executive:

1. Recommends to Council that it approves the following;

- The Fees and Charges for 2019/20 and those relating to Registration of Births, Death & Marriages also shown for 2020/21, as set out in the booklet available on the Council's web site;
- That approval is delegated jointly to each Corporate Director with the Corporate Director of Finance and Systems to amend fees and charges during 2019/20 in the event of any change in the rate of VAT, as appropriate;
- That approval be delegated jointly to each Corporate Director with the Corporate Director of Finance and Systems to amend fees and charges during 2019/20 under delegated powers where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.

Contact person for access to background papers and further information:

Name: Councillor Michael Cordingley, Executive Member for Finance
Nikki Bishop, Corporate Director of Finance and Systems
Extension: 4884

Background Papers: None

Implications:

| | |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Relationship to Policy Framework/Corporate Priorities | Value for Money. The proposed draft budget for 2019/20 supports all key priorities and policies. |
| Financial | The report sets out the proposed Fees and Charges for 2019/20 and those relating to Registration of Births, Death & Marriages also shown for 2020/21. |
| 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. Where appropriate and necessary some of the fees and charges have been the subject of consultation. |
| Equality/Diversity Implications | The Council has complied with the requirements of its Public Sector Equality Duty. Where appropriate and necessary some of the fees and charges have been the subject of consultation. |
| Sustainability Implications | None arising out of this report. |
| Resource Implications e.g. Staffing / ICT / Assets | Human Resources – statutory processes have been complied with during the course of these budget proposals in respect of staffing implications where they apply. |
| 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 Public Sector Equality Duty. |
| 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

Where appropriate and necessary some of the fees and charges have been the subject of consultation.

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 Clearance GB.....

Legal Officer Clearance JLF.....

CORPORATE DIRECTOR'S SIGNATURE

A handwritten signature in blue ink, consisting of stylized, cursive letters, positioned to the right of the corporate director's signature label.

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 2019/20 and included in the revenue budget proposals for 2019/20 to be presented to Council on 20 February 2019.
- 1.2 It should be noted that the booklet relates to fees and charges levied on the general public, businesses or service users. 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 | 65 | 8% | 0 | 22% | 20% |
| M / D* | 80 | 9% | 0 | 0% | 0% |
| D / D* | 11 | 1% | 0 | 0% | 0% |
| M / D | 141 | 17% | 0 | 33% | 5% |
| D / D | 551 | 65% | 0 | 52% | 7% |
| Total | 848 | 100% | 0 | 41% | 7% |

Note : This does not represent a 7% 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 22% of mandatory fees have changed by an average of 20%. (This increase is skewed by one charge referred to below which has increased by 233% - see Para 3.3). 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:

Children, Families & Wellbeing

- Charges for Deferred Payment Agreements (DPA's) and Proposed Rates for Alternative Funding Arrangements - the Council propose to introduce interest charges as defined in Care and Support regulations. The Council also intends to charge for the legal costs associated with DPA's;

Place: has the majority of the Council's fees and charges. The main changes within this service are:

- Garden Waste collection charges are to end in June 2019 following the expiry of current year's permits;
- Parking fees and tariff bands have been revised with reductions in fees for the longer stay periods to encourage economic growth, e.g. use of town centres;
- Animal Welfare – a new fee structure has been introduced to reflect the increased level of work that must be carried out to determine & enforce the new animal welfare licensing legislation which came into force in October 2018. These fees have been benchmarked against other Greater Manchester Authorities and were approved by Licensing Public Protection Sub-Committee on 25 October 2018;
- Pest Control - charges have been reviewed to better reflect how the service is delivered and better recover actual costs of delivery. As a result a number have increased by more than 5%. The most widely used fees (i.e. for bees and wasps) have been frozen at current prices to maintain the customer base against competition from the private sector;
- Planning – pre application advice - new fees have been introduced and two increased above 5% to better reflect the complexity of cases and full cost of recovery;
- Registration of Births, Deaths and Marriages – a number of charges have been set for the next two years, (2019/20 and 2020/21). Also new charges for 'Outdoor' blessing type and 'Tailor-made' marriage ceremonies have been introduced in response to demand for such services;
- Registration of Births, Deaths and Marriages – the 'Priority Service for certificate application' fee has been made statutory by the General Register Office with effect from 16 February 2019 and is 233% higher than the previous Discretionary fee set by the Council. The Council has no control over this charge;
- Registration of Births, Deaths and Marriages – fees and charges have been updated to include checking services for the European Passport Return Service and the new European Settlement Service pilot;
- Cemeteries & Crematorium services – new fees have been introduced to provide wider customer choice. This includes earlier and/or shorter time slots at lower cost, and for a direct cremation service.

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 That the Executive recommends to Council that it approves the following;
- The Fees and Charges for 2019/20 and those relating to Registration of Births, Death & Marriages also shown for 2020/21, as set out in the booklet available on the Council's web site, be approved;
 - That approval is delegated jointly to each Corporate Director with the Corporate Director of Finance and Systems to amend fees and charges during 2019/20 in the event of any change in the rate of VAT, as appropriate;
 - That approval be delegated jointly to each Corporate Director with the Corporate Director of Finance and Systems to amend fees and charges during 2019/20 under delegated powers where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.