

EAST HERTS COUNCIL

JOINT MEETING OF SCRUTINY COMMITTEES – 15 JANUARY 2013

EXECUTIVE – 5 FEBRUARY 2013

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE

FEES AND CHARGES 2013/14

WARD(S) AFFECTED: ALL

Purpose/Summary of Report:

- The purpose of this report is to detail the additional income to the Council that could be generated by increasing discretionary fees and charges in 2013/14 for a variety of services.

RECOMMENDATIONS FOR JOINT MEETING OF SCRUTINY COMMITTEES:

(A)	The proposals for increases in fees and charges, as detailed in Essential Reference Paper 'B' be scrutinised; and
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(B)	The Executive be advised of any recommendations.
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RECOMMENDATIONS FOR THE EXECUTIVE:

(A)	Any comments made by the Joint meeting of Scrutiny Committees on the 15 January 2013 be considered; and
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(B)	The increases in fees and charges as detailed in Essential Reference Paper 'B' be recommended to Council.
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1.0 Background

1.1 Members will recall that the Council has now adopted a fees and charges strategy and a set of key principles on which fees and charges should be set, rather than just a percentage increase.

1.2 These include:

- Any subsidy from Council Tax payers should be deliberate choice

- Discretionary fees should generate income to help deliver improvements in priority services
- Discretionary fees and charges should support the MTFP
- A measure of consistency in setting charges for similar services
- Levels should be set to avoid unnecessary subsidies from the council taxpayer to commercial operations
- If the impact of the increase is likely to be high then consideration be given to the phasing in of changes

1.3 Officers were requested to bring forward proposals for 2013/14 having regard to the principles of the strategy. A proportionate approach having regard to the level of income generated within each service area has also been advocated.

2.0 Report

2.1 Officers have prepared proposals for increasing fees and charges for 2013/14, the details of which are set out in **Essential Reference Paper 'B'**. Comments relating to individual service areas are set out below.

2.2 Proposals for increasing car parking pay and display charges and identifying options for changes to the operating terms and charging structures at some car parks were considered by the Executive on 4 December and are brought forward as a separate report. However, proposals for residents parking scheme permits and other miscellaneous permits are considered as part of this report and will generate an additional £2,000.

2.3 New charges are being introduced for vehicle removal, vehicle storage and vehicle disposal. Revenue generated from these charges will offset the cost of providing the service. The true cost is unlikely to be confirmed until up to one year of operation has been completed. The parking service will monitor the cost of providing the service against revenue raised to ensure it remains compliant with Statutory Guidance.

2.4 Whilst it is not proposed to increase hostel rents for 2013/14, it is proposed to increase the weekly charges for Bed and Breakfast accommodation by 3%. This will bring the two charges into alignment with each other.

2.5 Few changes are recommended for Planning and Building Control fees for the 2013/14 year. There were significant increases to the

Pre-Application fees two years ago and further increases now are not considered to be justified. Misc charges are proposed to remain unchanged to reflect the Information Commissioner requirements that costs should reflect those involved only in the provision of the information requested.

- 2.6 The self-setting of Development Control fees remains under consideration by the Government. No decision has been made whether these will proceed. In the interim, fees have been increased nationally by 15% in November 2012. It is suggested that, because of this increase applied nationally, any further local increase in fees would be unreasonable at this time.
- 2.7 The report proposes to increase Legal fees in line with inflation for 2013/14 generating an additional £1,400.
- 2.8 There are no proposals to increase Land Charges fees in 2013/14 in line with statutory requirements.
- 2.9 With regard to Markets and Farmers Markets it is proposed to increase in line with inflation the Licences fees and Farmers Markets fees, leaving market pitch fees at the current rate.
- 2.10 In order not to be priced out of the market and continue to offer good value it is proposed not to increase room hire rates at Hertford Theatre for 2013/14.
- 2.11 It is proposed to increase non – statutory Environmental Health Licences in line with inflation for 2013/14. The charges relating to the food register are reduced to fit in line with FOI/ EIR charges and to reflect use of electronic systems to compile reports.
- 2.12 Hackney Carriage charges are proposed to increase in line with inflation generating an additional £3,400.
- 2.13 It is proposed to make a small increase to pest control charges. There is no price increase for wasps due to competitive pressures.
- 2.14 The report proposes to increase Bulky Waste charges in line with inflation for 2013/14.
- 2.15 Clinical Waste charges have been increased to reflect the higher cost of disposal from HCC, this will generate an additional £8,000 that will offset the increased expenditure incurred.

2.16 The increase in commercial waste charges reflects the additional cost of disposal from the rising landfill tax, which increases £8 per tonne each year. This is a Government tool to encourage diversion from landfill to other forms of waste treatment and reduce the impact on the environment.

2.17 The table below summarises the assumptions for additional income from fees and charges in the MTFP and the Officer proposals based on 2013/14 expected income levels. It shows that current proposals will generate an additional £47,000 which will result in a favourable effect of £11,000 per annum on the current MTFP income assumptions. The figures below show the income excluding VAT. Any additional expenditure that has generated the requirement to increase income will be shown in other financial reports.

Service	2012/13 Estimate £	2013/14 Estimate (Excluding Officer Proposals) £	MTFP £	Officer Proposals £
Hertford Theatre	90,000	102,300	2,470	0
Pest Control	38,650	36,650	890	450
Clinical Waste	64,000	69,600	1,680	*8,000
Domestic Waste	38,000	33,000	800	800
Commercial Waste	404,000	467,600	11,290	*30,000
Env Health Promotions	2,800	2,800	70	0
Licences Env Health	13,900	15,400	370	350
Hackney Carriage	128,000	136,200	3,290	3,400
Development and Building Control Misc	4,650	3,650	90	0
Legal Fees	56,000	57,000	1,380	1,400
Land Charges	219,000	219,000	5,290	0
Markets	140,800	132,650	3,200	300
Farmers Markets	7,150	7,300	170	150
Hostels	120,000	120,000	2,900	0
Bed and Breakfast	6,500	6,850	160	150
Residents Parking	73,250	80,850	1,950	2,000
Total	1,406,700	1,490,850	36,000	47,000

* Note: Income increases are affected by the increase in expenditure on these services

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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