

Report to Finance and Performance Management Scrutiny Panel



Date of meeting: 13 November 2007

Portfolio: Finance, Performance Management and Corporate Support Services

Subject: Fees and Charges 2008/09

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Recommendations:

That the panel consider the policy for increasing fees and charges for 2007/08, and recommends a general increase of 4% to the Finance and Performance Management Cabinet Committee.

That it be noted in the review of officer delegation being conducted by Overview and Scrutiny Committee consideration will be given to the manner in which Leisure fees in respect of the SLM contract and Cultural and Community services are to be dealt with in future.

Report:

Introduction

.1 As part of the budget setting process the level of fees and charges are considered for the forthcoming financial year. The general premise is that fees and charges will be increased by 4% in line with the retail prices index (August 4.1%, September 3.9%). However where it can be justified a higher increase should be considered. This report is intended to give members an opportunity to comment on those fees and charges proposed for 2008/09.

Leisure Services

.2 The general uplift for fees and charges is specified as being in line with the retail prices index within the leisure contract, however if there is any exceptional changes to specific charges, these cannot be varied without recourse to the Council. This may require a speedy response and delegated authority is to be sought. With regard to Cultural and Community Services it is proposed that generally fees and charges be raised in line with inflation but in certain circumstances, at a rate, which reflects the true cost of providing the service.

Civil Engineering and Maintenance

.3 The main fees and charges here relate to car parking. A revised fee structure is proposed which is expected to provide at least a 4% increase on the total fee income. The proposed tariff structure for 2008/09 is shown in Appendix 1.

Finance and Performance Management & Corporate Support Services

.4 The main source of income to this Portfolio is for Land Charge searches. The charging from 1 April 2008 should be based on a cost recovery basis only. This will mean

assessing the cost of carrying out full searches and the expected number of searches to be carried out in 2008/09. Guidance on the methodology to be used is expected at the end of November, however the actual cost charged per full search will inevitably be significantly influenced by the number of searches assumed for 2008/09.

.5 Other income within this portfolio is in the form of Government Subsidies and Industrial Estate rents.

Planning and Economic Development

.6 The two main income areas within this portfolio are Development Control and Building Control fees.

.7 Development Control fee levels are controlled by Central Government. There has been no indication given regarding fee increases for 2008/09 so far. If government provide for an increase this can be included in the budget at that time providing it is before the end of January 2008.

.8 Building Control Fees are income to the ring-fenced Building Control Charging Account and therefore do not affect the General Fund. Fees and Charges were increased from 1 July 2006 in order to ensure that the year end balance on the Building Control Charging Account did not fall into deficit. The actual position was that the in year deficit of £41,000 brought the overall surplus down to £15,000 as at 31 March 2007. Given that the costs incurred by the account are likely to be subject to inflation it is proposed to increase charges by 4% from 1 April 2008.

Environmental Protection

.9 Much of the fee income is in the form of licences many of which are governed by statute and there is therefore no discretion on fee levels. Other fees in this area are recommended to increase by 4% to cover inflation. The proposed fee structure is set out in Appendix 2.

Community Wellbeing

.10 The main income here currently relates to concessionary fares however with the cessation of the Transport for London scheme this income will cease.

Housing

.11 The Housing Portfolio has a number of fees and charges, most of which relate to income to the Housing Revenue Account. The schedule at Appendix 3 shows the levels proposed for 2008/09. These generally represent an increase of around 4% from the 2007/08 levels.

.12 For administrative and practical ease, it is proposed that two nominal "standard charges" remain the same (dishonoured cheques and file photocopying).

.13 Two other housing-related charges have been varied by more than 4%:

- (a) In 2006/07, the cost of heating at Norway House was significantly under-recovered. The current charge is split between a room and communal area charge, it is proposed that the room charge be increased by 10% and the communal charge increased more substantially as this is where the largest element of under recovery has occurred. The revised level proposed is shown in appendix 3.
- (b) Following a recent tendering exercise amongst bed and breakfast hotels used to accommodate homeless people, the average room-charge across the three hotels

used in 2008/09 is less than the current charge that the Council passes on to the occupants. Moreover, as a result of the tendering process, the room charges for both 2008/09 and 2009/10 have already been set in advance. Therefore, it is suggested that the room charges for 2008/09 are based on the average room-charge to be made in 2008/09 by the three hotels used by the Council.

Conclusion

.14 The proposed policy for increasing fees and charges for 2008/09 are presented for comment but generally are based on an increase of 4%.