

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 7

meeting date: 28 OCTOBER 2014
title: REVIEW OF FEES AND CHARGES
submitted by: DIRECTOR OF RESOURCES
principal author: TRUDY HOLDERNESS

1 PURPOSE

- 1.1 To seek member approval on proposals to increase this committee's fees and charges with effect from 1 April 2014.
- 1.2 These proposals are the first stage in the review of this committee's budget for the forthcoming 2015/16 financial year.

2 BACKGROUND

- 2.1 The Council's fees and charges are reviewed on an annual basis as part of the budget setting process.
- 2.2 This report requests that members consider proposals for the increase in fees and charges for this committee's services. Such charges would be implemented with effect from the 1 April 2015 and would operate for the duration of the 2015/16 financial year.
- 2.3 The council's latest budget forecast allows for a 2% increase in the level of income raised from fees and charges. The review aims to increase budgeted income for 2015/16 by this amount as a minimum.
- 2.4 After applying this percentage increase, proposed charges have been rounded up or down to minimise any problems with small change. This inevitably impacts on the individual percentage rise for each separate charge, particularly when the current charge is low.

3 ADVICE OF BUDGET WORKING GROUP

- 3.1 In September 2014, the Budget Working Group considered the overall three year Budget Forecast. In Summary the forecast shows a potential budget deficit for 2015/16 of £513k after taking £200k from general fund balances.
- 3.2 The forecast has already factored in an overall increase in income from fees and charges of 2%. Clearly if this 2% increase is not achieved the budget deficit will be higher. Therefore service committees are requested to consider their fees and charges very carefully to achieve this targeted income.
- 3.3 The current budgeted income to be received from fees and charges which are set by this committee is £174,670. A 2% increase on this total would therefore generate £3,490.

4 REVIEW OF THE FEES AND CHARGES

- 4.1 The review of the fees and charges is coordinated by financial services, working together with heads of service and budget holders.

4.2 This follows the following process:

- Budget holders are provided with an indication of the fees and charges factoring in the budget working group proposals.
- A discussion meeting is then held between budget holders and financial services to enable the budget holder to propose a set of fees and charges for their services. This may depend on where there is a national requirement or service specific reason for setting a fee or charge at a different level than the budget working group target.

4.3 Following discussions a **proposed** set of fees and charges for implementation from 1 April 2015 has been produced for this committee and is shown at Annex 1. This annex provides details of:

- the current charge for 2014/15
- an estimate of the level of 2014/15 income raised by each charge (Net of VAT)
- the proposed charges for implementation from 1 April 2015
- an indication of the potential income that may be achieved in 2015/16, should the proposals be agreed (Net of VAT)
- the resulting percentage increase from 2014/15 to 2015/16
- Date that each charge was last increased (They are all reviewed annually, but may not necessarily be increased)

4.4 The indication of potential income which is shown throughout Annex 1 is provided for guidance purposes only and is based on past and current activity levels. No account is taken of any change in service use which may be influenced by a change in charge levels.

4.5 Work is still underway on forecasting income budget levels for 2015/16 and such budget proposals will be reported back to this committee in January 2015 for approval.

4.6 If you agree the recommended charges in Annex 1, the estimated fall in income would be £2,940, an overall decrease of 1.68%. The main reasons for the decrease are:

- The deletion of charges for meals on wheels due to changes in service provision. This also results in the service **costs** of the meals on wheels service being removed. This should result in a net nil cost position on the meals on wheels service.
- There is no proposed increase in the charge for issuing of summonses. This is because the last increase was in 2011 and represented 20% from £50 to £60. In addition recent trends show an increase in the number of cases being summonsed, which could result in the actual income exceeding the 2% required, despite the charge remaining the same.

4.7 Excluding these two income streams, subject to this committee agreeing the recommended charges, the budgeted income to be received from fees and charges set by this committee would be £85,890, the increase in budgeted income would be £2,118, which equates to a 2.47% increase

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications:

- Resources – Fees and Charges provide a key income source for the Council. Fees and charges also provide a mechanism to target concessions, and also to charge service users directly rather than allowing the financial burden of certain service provision to fall on the council tax.
- Technical, Environmental and Legal – The Local Government Acts of 2000 and 2003 extended authorities' powers to charge for discretionary services.
- Political – none
- Reputation – Substantial increases to charges can generate adverse publicity.
- Equality and Diversity – One of the aims of the fees and charges mechanism on many services is to pass on service concession in order to increase inclusivity.

6 CONCLUSION

6.1 Work has been undertaken by financial services, heads of service and budget holders in reviewing the fees and charges operated by this committee. This review has now been completed as part of the budget process, for implementation from 1 April, should the proposals be approved.

6.2 The Budget Working Group recommends that all service committees seek to increase their fees and charges overall by 2%. If you agree with the recommended charges, this committee will meet the target required.

7 RECOMMENDATION THAT COMMITTEE

7.1 Consider the charges at Annex 1 and approve them for implementation with effect from 1 April 2015.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF55-14/TH/AC
14 October 2014

BACKGROUND PAPERS: None

For further information please ask for Trudy Holderness.

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2015

LOCAL LAND CHARGES - LANDC	Ledger Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
Search Certificate	LANDC/8408z	Non Vatable	01 April 2014	18.90	9,940.00	19.30	10,150.73	2.12
Part I Enquiries	LANDC/8408z	Non Vatable	01 April 2014	100.45	50,030.00	102.45	51,025.60	1.99
Part II Enquiries	LANDC/8408z	Non Vatable	01 April 2014	13.50	7,440.00	13.80	7,605.17	2.22
Part II (Question 22)	LANDC/8408z	Non Vatable	01 April 2014	22.70	2,780.00	23.15	2,835.04	1.98
Express Service	LANDC/8408z	Non Vatable	01 April 2014	156.60	420.00	159.75	428.44	2.01

CIVIC SUITE - CIVST All Organisations to be charged without exception	Ledger Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %	
COMMITTEE ROOMS 1 AND 2									
Charity or Recognised Community Organisation	- Session (09.00 - 13.00 or 13.00 – 18.00)	CIVST/8520I	Non Vatable	01 April 2014	32.65	360.00	33.30	367.16	1.99
	- All Day	CIVST/8520I	Non Vatable	01 April 2014	46.35	1,520.00	47.30	1,551.16	2.05
Commercial Organisations	- Session (09.00 - 13.00 or 13.00 – 18.00)	CIVST/8520I	Non Vatable	01 April 2014	64.75	0.00	66.05	0.00	2.01
	- All Day	CIVST/8520I	Non Vatable	01 April 2014	91.65	130.00	93.50	132.63	2.02
COUNCIL CHAMBER									
Charity or Recognised Community Organisation	- Session (09.00 - 13.00 or 13.00 – 18.00)	CIVST/8520I	Non Vatable	01 April 2014	72.65	1,690.00	74.10	1,723.80	2.00
	- All Day	CIVST/8520I	Non Vatable	01 April 2014	108.00	1,180.00	110.15	1,203.48	1.99
Commercial Organisations	- Session (09.00 - 13.00 or 13.00 – 18.00)	CIVST/8520I	Non Vatable	01 April 2014	145.90	200.00	148.80	203.98	1.99
	- All Day	CIVST/8520I	Non Vatable	01 April 2014	215.90	0.00	220.20	0.00	1.99

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2015

CIVIC SUITE - CIVST All Organisations to be charged without exception		Ledger Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
FOYER AREA ONLY									
Charity or Recognised Community Organisation	- Session (09.00 - 13.00 or 13.00 – 18.00)	CIVST/8520I	Non Vatable	01 April 2014	19.00	30.00	19.40	30.63	2.11
	- All Day	CIVST/8520I	Non Vatable	01 April 2014	27.45	0.00	28.00	0.00	2.00
Commercial Organisations	- Session (09.00 - 13.00 or 13.00 – 18.00)	CIVST/8520I	Non Vatable	01 April 2014	37.90	0.00	38.65	0.00	1.98
	- All Day	CIVST/8520I	Non Vatable	01 April 2014	54.25	0.00	55.35	0.00	2.03

Photocopying - Corporate Charges		Detail Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 Based on actual cost £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
Photocopying	- A4 First Page	8227n	VAT Inclusive	01 April 2013	0.20	700.00	0.20	714.00	0.00
	- A4 Continuation Sheet	8227n	VAT Inclusive	01 April 2013	0.20		0.20		0.00
	- A1 Plan	8227n	VAT Inclusive	01 April 2014	8.00		8.15		1.88
	- A0 Plan	8227n	VAT Inclusive	01 April 2014	8.20		8.35		1.83
	- A3 Copies	8227n	VAT Inclusive	01 April 2014	0.65		0.65		0.00
	- A2 Copies	8227n	VAT Inclusive	01 April 2014	8.00		8.15		1.88

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2015

GARAGE - RENTS		Ledger Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
Chatburn Road, Clitheroe	Plot:								
	A, B, C, D, E, F, G, H	ESTAT/8830n	VAT Inclusive	01 April 2014	124.35	800.00	126.85	816.08	2.01
Fort Street, Read	Plot Numbers:								
	1, 1A, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25	ESTAT/8830n	VAT Inclusive	01 April 2014	124.35	2,600.00	126.85	2,652.26	2.01
Mersey Street, Longridge	Plot Numbers:								
	1, 2, 3, 4, 5, 6, 7, 8, 8A, 9, 10, 11, 12, 13	ESTAT/8830n	VAT Inclusive	01 April 2014	124.35	1,410.00	126.85	1,438.34	2.01
Victoria Street, Longridge	Plot Numbers:								
	1, 2, 3, 4, 5, 6	ESTAT/8830n	VAT Inclusive	01 April 2014	124.35	600.00	126.85	612.06	2.01
Brights Close, Newton	Plot Numbers:								
	N/A	ESTAT/8830n	VAT Inclusive	01 April 2014	187.00	150.00	190.75	153.02	2.01

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2015

LEGAL SERVICES - LSERV		Ledger Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
Section 106 Agreement Review and Completion	- 20 houses or less	LSERV/8402z	Non Vatable	01 April 2008	330.00	3,690.00	370.00	4,137.23	12.12
	- more than 20 houses	LSERV/8402z	Non Vatable	01 April 2008	330.00		500.00		51.52
Notice of Assignment	- Notice of Assignment	LSERV/8402z	Non Vatable	01 April 2008	15.00	220.00	15.50	227.33	3.33

COUNCIL TAX AND NATIONAL NON DOMESTIC RATES - CLTAX		Ledger Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
Issue of Summons (Agreed with Magistrates' Court)		CLTAX/8714z	Non Vatable	01 April 2011	60.00	83,720.00	60.00	83,720.00	0.00

MEALS ON WHEELS - Various		Detail Code	VAT Liability	Date of Last Change	Current Charge 2014/15 £	Budgeted Income Net of VAT for 2014/15 £	Proposed Charges for 2015/16 2.00% Inflation £	Indication of Potential Income Net of VAT for 2015/16 £	Percentage Increase in Charge %
Meals on Wheels charge per meal		8203m	Non Vatable	01 April 2005	1.50	5,060.00	Delete	Delete	Delete

Total Income from fees and charges set by this committee						174,670.00		171,728.14	-1.68
Less summonses and Meals on Wheels						-88,780		-83,720	
Total excluding summonses and Meals on Wheels						85,890		88,008.14	+2.47
Overall increase in income generated								2,118.14	