

**21 January 2016**

**ITEM: 5**

**Cleaner, Greener and Safer Overview & Scrutiny Committee**

**Fees and Charges 2016/2017**

**Wards and communities affected:**

All

**Key Decision:**

Non-key

**Report of: Mike Jones, Strategic Resources Accountant**

**Accountable Head of Service:** Sean Clark, Head of Corporate Finance

**Accountable Director:** Lyn Carpenter, Chief Executive

**This report is public**

**Executive Summary**

This report details the proposed new fees and charges for Thurrock Council with effect from 1 April 2016.

The paper provides narrative for Environment and Public Protection. It is to be noted that there is a wider review of commercial opportunities across the Council in progress. Any price changes proposed as part of the wider review will be managed under the delegated authority of the Chief Executive and relevant Cabinet Member (where appropriate.)

**1. Recommendation**

**1.1 That the committee consider the proposed charges as detailed in Appendix 1.**

**2. Introduction and Background**

2.1 In reviewing the fees and charges for 16/17 officers (where practicable) have ensured cost recovery of discretionary activities while at the same time undertaken a benchmarking exercise against neighbouring authorities.

2.1 The table below highlights the actual (14/15) and forecast (15/16) income from external fees and charges.

<b>Service Area</b>	<b>Actual 14/15 £000's</b>	<b>Budget 15/16 £000's</b>	<b>Forecast<sup>1</sup> 15/16 £000's</b>
Adults	7,463.0	8,358.6	8,254.6
Thameside Theatres	471.4	346.7	425.0
Children's Services	4,881.9	5,248.3	5,204.3
Environment	681.9	739.8	846.7
Legal Services <sup>2</sup>	119.8	84.5	124.9
Registrars	234.4	155.8	213.4
Commercial Hall Hire	88.5	82.6	83.9
Public Protection	363.8	337.8	378.7
Housing (General Fund)	844.1	744.5	786.0
Transport & Highways	949.7	994.8	1,109.8
Planning & Developments	1,709.1	1,449.2	1,865.8
<b>TOTAL</b>	<b>17,807.6</b>	<b>18,542.6</b>	<b>19,293.1</b>

2.2 In setting the fees for 16/17, a total growth of £775k has been applied that equates to a stretch target of £600k and £175k previously agreed at the first phase of the MTFs process, the following tables provides a high-level reconciliation.

<b>Description</b>	<b>Amount £000's</b>
Budget 15/16	18,542.6
1% uplift on existing fees & charges (bud 15/16)	185.4
<b><u>Rebaseline budgets to actual performance for 15/16</u></b>	
➤ Registrars (Fcst Outturn £213.4k in 15/16)	68.0
➤ Environments (Fcst Outturn £846.7k in 15/16)	102.0
➤ Thameside Theatre(Fcst Outturn £425k in 15/16)	75.0
➤ Growth in Grangewaters Income	20.0
➤ Parking Charges Increase	150.0
<b><u>MTFS Items previously agreed</u></b>	
➤ Filming/Sponsorship	100.0
➤ Growth in Legal Traded Services	50.0
➤ Increases in Planning Fee Income	25.0
<b>TOTAL EXTERNAL INCOME BUDGET 16/17</b>	<b>19,318.0</b>

<b>Service Area</b>	<b>Budget 15/16 £000's</b>	<b>1% uplift £000's</b>	<b>Growth Items £000's</b>	<b>Budget 16/17 £000's</b>
Adults	8,358.6	83.6		8,442.2
Thameside Theatres	346.7	3.5	75.0	425.0
Childrens Services	5,248.3	52.5	20.0	5,320.8
Environments	739.8	7.4	102.0	849.2
Legal Services	84.5	0.8	50.0	135.4
Filming & Sponsorship			100.0	100.0
Registrars	155.8	1.5	68.0	225.0
Commercial Hall Hire	82.6	0.8		83.9
Public Protection	337.8	3.4		341.1
Housing General Fund	744.5	7.5		751.9
Transport & Highways	994.8	9.9	150.0	1,154.8
Planning& Growth	1,449.2	14.5	25.0	1,488.7
<b>TOTAL</b>	<b>18,542.6</b>	<b>185.4</b>	<b>590.0</b>	<b>19,318.0</b>

- 2.3 As part of the commercial transformation work that is in progress, detailed sales and marketing plans will be developed for each service area.
- 2.4 The strategic ambition for Thurrock is to adopt a policy on fees and charges that is aligned to the wider commercial strategy and ensures that all discretionary services cost recover.
- 2.5 Furthermore, for future years, while reviewing charges, services will also consider the level of demand for the service, the market dynamics and how the charging policy helps to meet other service objectives.

### **3 Issues, Options and Analysis of Options**

The fees and charges for each service area have been considered and the main considerations are set out in this section.

#### **3.1 Environment: Waste**

- 3.1.1 The strategic objective for charging for waste services is to cover the cost of providing the service (so far as is practicable), taking account of the need to protect the street scene, residential amenity and the need to support the local economy.

3.1.2 In recent years the external income (domestic and commercial) achieved for Waste Services is highlighted below.

	<b>14/15 Actual £000's</b>	<b>15/16 Budget £000's</b>	<b>15/16 Forecast £000's</b>	<b>16/17 Target £000's</b>
Domestic Waste	51.7	10.7	48.6	48.6
Commercial Waste	51.6	70.0	81.7	150.0
<b>TOTAL Waste</b>	<b>103.3</b>	<b>80.7</b>	<b>130.3</b>	<b>198.6</b>

3.1.3 Domestic waste management continues to charge for bulky waste items that are too big to be collected by the normal refuse crews. The aim is to charge on a full cost recovery basis and the proposed charges are as follows

<b>Description</b>	<b>15/16 charge</b>	<b>16/17 proposed</b>	<b>% Increase</b>
Bulky Waste: Collection and disposal of up to 3 items	27.00	30.00	11%
Bulky Waste: Each additional item	7.00	8.00	14%

3.1.4 With regard the Commercial Waste offer the longer term strategic aim is to provide a more commercial framework around the offer details of which will be presented in a later Cabinet paper.

3.1.5 The charges are consolidated in Appendix 1.

### **3.2 Environment: Parks & Open Sports Hire**

3.2.1 The strategic objective for charging for use of the open sports facility is to provide quality services that are competitively priced to encourage optimum use and consequently maximise income levels while at the same time ensuring cost recovery.

3.2.2 In recent years the external income achieved for Outdoor Sports activities is highlighted below.

	<b>14/15 Actual £000's</b>	<b>15/16 Budget £000's</b>	<b>15/16 Forecast £000's</b>	<b>16/17 Target £000's</b>
Outdoor Sports PN070	120.4			
Parks & Open Space Events PN102			4.5	
Langdon Hills PN110	18.2	18.2	17.4	17.4
<b>Parks &amp; Open</b>	<b>52.1</b>	<b>180.4</b>	<b>212.6</b>	<b>212.6</b>

Spaces PN126				
<b>TOTAL</b>	<b>190.7</b>	<b>198.6</b>	<b>234.5</b>	<b>230.0</b>

3.2.3 With regard football, rugby and cricket, a new charging regime is being proposed that allows more open and transparent fee setting. In 16/7 the charge is per match rather than per season.

3.2.4 The charges are set out in Appendix 1.

### 3.3 Environment: Cemeteries

3.3.1 In recent years the external income achieved for Cemeteries Services (is highlighted below.)

	<b>14/15 Actual £000's</b>	<b>15/16 Budget £000's</b>	<b>15/16 Forecast £000's</b>	<b>16/17 Target £000's</b>
External Income PN080	258.3	272.2	253.6	290.0

3.3.2 A 5% uplift is proposed for a majority of the charges, which is in line with the fees charged by neighbouring authorities, with the exception of the following items.

<b>Description</b>	<b>15/16 charge</b>	<b>16/17 proposed</b>	<b>Comment</b>
Memorial Gardens: Plaque for 7 years & loose interment of ashes	170.00	200.00	18% increase. This charge has not been reviewed for a number of years, and the proposed level has now been benchmarked against neighbouring boroughs.
Memorial: Erection of plaque only for 7 years (no ashes to inter)	130.00	160.00	23% increase. This charge has not been reviewed for a number of years, and the proposed level has now been benchmarked against neighbouring boroughs.
Memorial: Renewal of 7 year subscription with no replacement plaque	140.00	170.00	21% increase. This charge has not been reviewed for a number of years, and the proposed level has now been benchmarked against neighbouring boroughs.
Memorial: Additional interment of ashes and replacement plaque for further 7 years where original subscription has more than 4 years	100.00	130.00	30% increase. This charge has not been reviewed for a number of years, and the proposed level has now been benchmarked against neighbouring boroughs.

to run			
Memorial: Additional interment of ashes and replacement plaque for further 7 years where original subscription has more than 4 years to run	165.00	195.00	18% increase. This charge has not been reviewed for a number of years, and the proposed level has now been benchmarked against neighbouring boroughs.

3.3.3 A full list of charges is set out in the Appendix.

### **3.4 Public Protection**

3.4.1 The strategic objective for licensing fees and charges for 16/17 is to ensure full cost recovery while at the same time having due regard for the relevant legislation<sup>3</sup>.

3.4.2 With regard Hackney Carriage and private hire licensing it is to be noted that a fee consultation is underway that is to be presented to Directors Board January 2016 and Licensing Committee 28<sup>th</sup> January 2016

3.4.3 Fees & Charges for Animal & Sex Establishment Licensing, Street Trading and Massage and Special Treatment will be set for 2016/17 to ensure full cost recovery is now established. With regard scrap licensing, fees were set for a 3-year licence in 2014/15 and will be further reviewed in 2017/18.

3.4.4 In line with the new Government Guidance on Gambling licences the policy and associated fees and charges will be reviewed next year.

3.4.5 The existing and proposed charges are detailed in the Appendix.

## **4 Reasons for recommendation**

4.1 The fees and charges for Thurrock Council are updated annually and agreed by Cabinet. This report has come to this committee for scrutiny and for members to understand the impact on the budgets within particular service areas.

## **5 Consultation**

5.1 Consultations are in progress with regard to some of the proposed changes outlined in Adult Social Care and Parking. However, with regard all other items, the proposals in this report do not affect any specific parts of the borough. Fees and charges are known to customers before they make use of the services they are buying.

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<sup>3</sup> Gambling Act 2005 & Licensing Act 2003

## **6 Impact on corporate policies, priorities, performance and community impact**

- 6.1 The changes in these fees and charges may impact the community; however it must be taken into consideration that these price rises include inflation and no profit will be made on the running of these discretionary services.

## **7 Implications**

### **7.1 Financial**

Implications verified by: **Mike Jones**  
**Management Accountant**

The increase in fees and charges set out in the report have been built into the overall 2016/17 budget.

### **7.2 Legal**

Implications verified by: **Daniel Toohey**  
**Principal Solicitor Contracts and Procurement**

Fees and charges generally fall into three categories – Statutory, Regulatory and Discretionary. Statutory charges are set in statute and cannot be altered by law since the charges have been determined by Central government and all authorities will be applying the same charge.

Regulatory charged relate to services where, if the Council provides the service, it is obliged to set a fee which the Council can determine itself in accordance with a regulatory framework. Charges have to be reasonable and must be applied across the borough.

Discretionary charges relate to services which the Council can provide if they choose to do so. This is a local policy decision. The Local Government Act 2003 gives the Council power to charge for discretionary services, with some limited exceptions. This may include charges for new and innovative services utilising the power to promote environmental, social and economic well-being under section 2 of the Local Government Act 2000. The income from charges, taking one financial year with another, must not exceed the cost of provision. A clear and justifiable framework of principles should be followed in terms of deciding when to charge and how much, and the process for reviewing charges.

A service may wish to consider whether they may utilise this power to provide a service that may benefit residents, businesses and other service users, meet the Council priorities and generate income.

Decisions on setting charges and fees are subject to the Council's decision-making structures. Most charging decisions are the responsibility of Cabinet, where there are key decisions. Some fees are set by full Council.

### **7.3 Diversity and Equality**

Implications verified by **Rebecca Price**  
**Community Development Officer**

The Council has a statutory duty under the Race Relations Act 2000 (Amendment), the Disability Discrimination Act 2005 and the Sex Discrimination Act 1975 (Amendment) to promote equality of opportunity in the provision of services and employment.

Decisions on setting charged and fees are subject to the Council's decision-making structures. Concessions should be available to groups or individuals in the community, where the increase may result in them being excluded from particular activities.

### **7.4 Other Implications** (where significant) – i.e. Staff, health, Sustainability, Crime and Disorder)

**None applicable**

### **7.5 Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

**None**

### **7.6 Appendices to the report**

**Appendix 1:** Environment and Public Protection sections of the Draft Fees and Charges booklet 2016/17.

#### **Report Author:**

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