

Southend-on-Sea Borough Council

Report of Corporate Director Support Services
to
Cabinet
on
22 January 2013

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Agenda
Item No.

Draft Fees & Charges 2013/14
Executive Councillor: Councillor Nigel Holdcroft

A Part 1 Public Agenda Item

1 Purpose of Report

To consider the detailed fees and charges for services in 2013/14 included in the budget proposals for 2013/14.

2 Recommendations

2.1 That the Cabinet recommend to Scrutiny Committees and the Budget Cabinet that the proposed fees & charges for each Directorate as contained within the body of this report and the appendices be approved by Council

3 Background

3.1 Income from fees and charges are an important part of the Council's overall financial strategy and assist in the overall balancing of the budget. Clearly the scope to increase fees or charges is determined by a number of factors, of which the most important are: strategic desirability, government direction, elasticity of demand for services, and impact on service users. There is no prescribed increase in individual fees and charges. However the medium term financial strategy assumes a 2% increase in net income collected (yield), and it is up to each service how it proposes to deliver this yield increase (e.g. a reduction in fee might encourage more users, causing income to increase in absolute terms).

3.2 Where fees are subject to VAT, the rate of 20% has been incorporated into these proposals.

3.3 In addition some charges made by the Council are set by statute and therefore they are not at the discretion of the Council; these are clearly marked in the attached charges.

4 Proposals for 2013/14

- 4.1 Proposals for fees and charges for 2013/14 are set out in the Appendices to this report.

Appendix 1 – Adult and Community Services

Appendix 2 – Children and Learning

Appendix 3 – Corporate Support Services

Appendix 4 – Enterprise, Tourism and Environmental

5 Commentary on the Directors Proposals

Adult and Community Services

Culture

- 5.1 Fees and charges for Culture Services have been set in line with the authority's medium term financial strategy and the saving proposals presented to Members. Adjustments have been made to reflect market demands, costs and competition.
- 5.2 A transition has been introduced to increase the age that senior discounts are provided, to reflect the changes in the pension age; consequently discount rates will not be available to people born after 01 April 1952 (61 and over). The senior discount is currently from 60 except for free swimming which is from 65.
- 5.3 The library fine for overdue books has been rounded to 15p per day; this charge will be monitored during the year to identify if a detrimental effect on borrowing numbers occurs.
- 5.4 A new charge for fitness instructors/boot camp operators is introduced. It is proposed that this would be an annual permit charge for trainers using parks on a regular basis for classes (£150, line 268).
- 5.5 A standardised charge for donated trees in parks and highways is introduced to reduce the subsidy to 50% (2012/13 £77 increased charge £150).
- 5.6 A new charge for talks to community groups is proposed, many groups already offer to pay (£10).
- 5.7 Golf; green fees have been benchmarked against those on local competitor courses. Comparison shows that the council's charges are now lower than neighbouring courses across all headings, notably lower on concession charges. Prices were frozen last year but should increase this year. An increase on standard pay and play charges is proposed. It is further recommended that the booking fee is withdrawn.
- 5.8 Season ticket prices generally are recommended to remain frozen however concession season tickets are undervalued and recommended to increase to bring these charges more in line. Advantage card discounts have been retained on standard charges but removed from discounted rates for off peak and twilight play. This simplifies the fees and charges and reflects a more commercial approach to pricing (see sheet for details line 63-102).
- 5.9 Bowls; fees for bowls season tickets are significantly undervalued against the current cost of delivering the service. Basic bowling green maintenance costs the

council approximately £110,000 per year generating an income from ticket sales of approximately £30,000 per year. The service is therefore currently subsidised by approximately £80,000 per year against contracted costs. This figure does not include capital and revenue spending on pavilions, repairs and maintenance, utility costs, improvements, administration costs, MATS charges etc. It is proposed that three different options are offered to bowlers in the future pricing strategy to reduce this level of subsidy. The first option is to increase the price of season tickets every year above the rate of inflation. The second option is to propose that clubs pay an annual license fee of £5,000 for the use of a green for their club and visitors, with the council continuing to maintain the green. The third approach is to offer clubs the opportunity to introduce alternative management arrangements such as maintaining the green independently (see sheet for details line 12-33).

5.10 Bowling Greens located at:

Belfairs Park	2	Southchurch	1
White Hall	1	Shoebury	1
Eastwood Park	1	Priory Park	4
Chalkwell Esplanade	½ green		
Alexander	1		

Adult Social Care

5.11 The fees and charges within this area have only received a minor uplift.

Housing

5.12 The Private Sector Housing Team are seeking to introduce charges for Housing Health and Safety Rating Systems (HHSRS) Improvement Notices, Discretionary Immigration Inspections, Emergency Remedial Action, Interim and Final Management Orders (HMO) and Interim and Final Empty Dwelling Management Orders as well as an administration fees on works in default. These new charges underpin a planned saving (ACS16) set out in the General Fund Revenue Budget Report.

5.13 Notices served in relation to Empty Dwelling Management Orders (both Interim and Full) are ineligible for charge as provision is made for recovery of officer time as part of the actual costs of works at the property.

Children and Learning Services

5.14 Fees for Children and Learning are limited to Saturday Music School. Fee levels have been held at 2012/13 prices, but greater flexibility over session length has been incorporated.

Corporate Support Services

Bereavement Services

5.15 Higher than inflation rise in Bereavement Services reflects both the increased energy costs and the cost associated with meeting the environmental agenda

(mercury abatement). The bias towards our own residents has been maintained.

Registration

- 5.16 The majority of fees in this area are set by the General Register Office, and therefore the Council has no discretion. These fees remain static for 2013/14 and are not subject to VAT.
- 5.17 Discretionary fees have been set to reflect market rates and include uplifts on Registrar attendance time and room hire but no increases on ancillary products such as advertising by third parties, stationery, cards and sundries.
- 5.18 Extended hours weddings; a new service which came into effect in October 2012 in line with the Freedoms Act 2012, features for the first time.

Transport and Facilities Management

- 5.19 Fleet hire charges have been increased to reflect the true cost of provision but remain not for profit. Dial a Ride charges reflect increases in the operating cost of the provider and have been benchmarked across the Essex Community.
- 5.20 Room hire charges have been increased for all 4 classification of customer as have the fees for Porters. Fees for the use of the Marquee at Porters have been increased to reflect the true cost of provision, having been historically under-priced.

Local Land Charges

- 5.21 A small reduction in search fees is proposed, given the Council's obligation not to make a profit from the service.

Enterprise, Tourism and the Environment

Pier and Foreshore

- 5.22 It is proposed that the majority of charges for the Pier and Foreshore rise with inflation. In addition the charging arrangements for the Cultural Centre have been restructured to reflect the types of usage.

Car Parking

- 5.23 The vast majority of charges have again been frozen – however in Zone C, which is out of town centre secondary shopping areas, charges have been reduced for the first 1 hour and a new 20p tariff for a 30 min stay has been introduced in order to support local businesses and traders.

Regulatory and Licensing

- 5.24 Many regulatory fees are set by statute. However where the Council has the discretion, various increases are proposed. Hackney Carriage fees remain frozen as previously agreed.

5.25 A new charge is proposed for access to CCTV footage by Insurance Companies for evidential requests.

Highways and Traffic

5.26 Highway charges remain largely static.

Planning and Building Control

5.27 Most planning fees are currently set by statute, and reflect the new charging structure agreed by Government in the autumn of 2012. The obligation to set Building Control fees to breakeven over a three year period remains.

6 Other Options

No other options were considered. This report merely brings together the proposals for fees and charges, be they statutory or discretionary.

7 Reasons for Recommendations

Part of the process of maintaining a balanced budget includes a requirement to consider the contribution that fees and charges make towards that aim. This report is in fulfilment of that requirement.

8 Corporate Implications

8.1 Contribution to Council's Vision & Corporate Priorities

The budget strategy is an integral part of the Council's Corporate Service and Resources Planning Framework.

8.2 Financial Implications

As set out in the body of the report. In addition the additional income yield has been factored into the proposed 2013/14 budget.

8.3 Legal Implications

None at this stage.

8.4 People Implications

None at this stage.

8.5 Property Implications

None at this stage.

8.6 Consultation

Scrutiny Committees will be consulted as part of the budget making process. Wherever required public consultation will commence in time to ensure that the new fee structures can be in place for the start of the new financial year

8.7 Equalities and Diversity Implications

None at this stage.

8.8 Risk Assessment

The key risks are:

Elasticity of demand for some services may mean that increases in fees & charges lead to a fall in income collected.

Some residents/service users may not be able to afford increases, so that the impact may fall disproportionately on those on low incomes.

Assumptions about increases for those items that are not set by the Council may not be correct.

8.9 Value for Money

In order to deliver value for money it is essential that the Council gets the right balance between charging for services and funding services from Council Tax.

8.10 Community Safety Implications

None at this stage.

8.11 Environmental Impact

None at this stage.

9 **Background Papers**

None

10 **Appendices**

Appendix 1 – Adult and Community Services

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