



Report to:	Environment and Neighbourhoods Committee	Date:	26 January 2017
Report title:	Review of Environment, Housing and Regeneration Fees and Charges for 2017/18		
Report from:	Mary Morrissey, Strategic Director of Environment, Housing and Regeneration		
Ward/Areas affected:	Borough Wide		
Chair of Committee/Lead Member:	Councillor Jill Whitehead		
Author(s)/Contact Number(s):	Scott Funnell, Head of Environment Commissioning, 020 8770 4084		
Corporate Plan Priorities:	<ul style="list-style-type: none"> • A Green Council • A Fair Council • A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	12 January 2017

1. Summary

- 1.1 This report seeks to gain approval following a review of fees and charges for various Environment, Housing and Regeneration services. The report provides details of existing charges and proposed increases for services.

2. Recommendations

The Environment and Neighbourhoods Committee is recommended to:

- 2.1 Agree to increase the charges for the following services - Commercial Waste, Bulky Waste, Parks (including Biodiversity), Cemeteries, Highways and Transport, Regulatory Services, Sports and Leisure Management, Registration Service, Libraries, as set out in Appendices A - J, and the Life Centre.

3. Background

- 3.1 The Environment, Housing and Regeneration Directorate review the charges applied to its services on an annual basis for agreed charges to be levied from 1 April. The services covered within this annual review are Commercial Waste, Bulky Waste, Parks, (including Biodiversity), Cemeteries, Highways and Transport, Regulatory Services, Sports and

Leisure Management, Registration Service and Libraries and the Life Centre.

- 3.2 Councils have had significant reductions in their funding from government grants. At the same time the Council has faced increasing demand for services due to demographic pressures and the consequences of other national government policies such as welfare reform. The Council faces further funding and grant reductions from national government over the medium term to long term.

4. Issues

- 4.1 Given these financial challenges, a review of all Environment, Housing and Regeneration fees and charges has been conducted. The main aim of this review was to:

1. Ensure that all costs associated with the provision of services are fully recovered
2. Ensure any known increases in contract costs, inflation and other costs are recovered from service users
3. Address the base income budget position for individual services.

- 4.2 The following services are proposing charges either below or above inflation (need to say what the inflation level is here); the rationale for changes is listed in the sections below.

Bulky Waste including fridges (Appendix A)

- 4.3 These charges are included in the contract with Veolia, due to start on 3 April 2017. The opportunity has been taken to review charges and simplify the charging mechanism to include electrical items. It is now proposed that there will be a two tier pricing structures of (1) 1-3 items £30 and (2) 4-6 items £50.

Trade Waste (Appendix B)

- 4.4 These charges are included in the contract with Veolia, due to start on 3 April 2017. In consultation with Veolia, it has been agreed that there will be no increase in these charges from April 2017. The risk associated with the costs and income from this service will sit with Veolia, with a guaranteed income to Sutton Council as part of the contract.

Registration Services (Appendix C)

- 4.5 Fees and charges have been increased in line or just above inflation. Where above inflation this is due to revised costings for the provision of some services and incorporates 'rounding up' to facilitate payment processes. The increased cost of postage for all the Naturalisation services (due to weight of documents now required to be submitted) has significantly increased the cost of these services; in particular the new European passport return service. Other charges for ceremonies have been increased in line with market forces. Some rounding to manageable price points has increased the percentage.

Sports and Leisure Management (Appendix D)

- 4.6 Sports and Leisure Management (SLM) operate and manage Westcroft, Cheam, David Weir and Phoenix Leisure Centres on behalf of the Council. The overall average increase in prices is 2.58% although there are some variations to this as detailed in Appendix D. Income collected is retained by SLM.

Parks and Cemeteries (Appendix E)

- 4.7 It is proposed that the fees and charges for cemeteries and allotments and events in parks are increased by an average of 2% which is in line with the predicted levels of inflation. The sports charges have been proposed by the Council's new parks contractor (Idverde). The contract starts on 1st February 2017. The contractor has offered a guaranteed level of income for sports activities, which matches last year's income plus inflation. The fees proposed are therefore set to recover the full cost of the service provided and to encourage use of the services. Some fees have been increased above inflation while others have been reduced to ensure participation rates are sustained. If more income is achieved than in previous years this will help to fund a sports promotions officer who will be employed by Idverde. Once the costs of this post are covered any additional income will be shared between the contractor and the Council. As some clubs indicated that they would prefer making an annual one-off payment instead of smaller staged payments, an annual football pitch hire charging option has been introduced for Little League, 9 v 9 and mini soccer in 2016 based on the cost of booking 27 games per season. A reduced charging option was also introduced for those clubs responsible for carrying out the marking of their pitches and this option will also be available in future.

Biodiversity (Appendix F)

- 4.8 It is proposed that a majority of fees and charges are increased above the expected rate of inflation, by between 3% (for children's teaching sessions at the Ecology Centre) and 20% (for the hire of the Ecology Centre grounds), to ensure the service continues to cover its costs. This is not expected to have an impact on demand for these services. 'Drop in' sessions for family activities have remained at £4, as an inflationary increase would lead to staff handling small change on site. Bookable sessions have been held at £5, as price increases in previous years have impacted on demand. The charges for DIY sessions and sessions at other nature reserves have remained the same.

The total income generated by the service is expected to increase from £18,700 in 2016/17 to £19,300 in 2017/18 as a result of the above changes to fees and charges.

Life Centre (Appendix G)

- 4.9 The fees and charges in this area have been amended to reflect competitor and market rates. This has resulted in a decrease in pricing for hire of the sports pitch during the summer months of up to 50% in order to increase usage for other sporting activities. There has also been an increase in prices of up to 34% across all other areas of business. It is anticipated that these changes will not impact on demand and generate additional income above inflation of between

£4k and £6k over the coming year in order to support the achievement of current income targets.

Library Services (Appendix H)

- 4.10 An increase in charges for this service is not proposed. Further increases would restrict the ability of the service to meet income targets agreed for 2017/18. A comprehensive audit of fees and charges against comparable Authorities will be carried out during 2017/18. Fees and charges for 2018/19 will be set accordingly.

Regulatory Services (Appendix I)

- 4.11 The Council's licensing function sits within Regulatory Services. The functions of the licensing service are varied and cover:
- Animal licences/registrations
 - Explosives
 - Fireworks
 - Gambling Act 2005
 - Licensing Act 2003
 - Scrap Metal Dealers
 - Special Treatment Premises
 - Street Trading

Licensing Act 2003 and Explosives Licence/Registration fees are set by regulations.

Fees for gambling are also set by regulations which outline the maximum fees that are permitted to be charged by Licensing Authorities. It is recommended that the full range of fees for gambling premises and permits are increased to the maximum level where they are currently not being charged to ensure full cost recovery. The largest increases are for new applications for Bingo Premises, Adult and Family Entertainment Centres and betting premises. It is anticipated that this will achieve an increase in income of approximately £4k per annum.

Increases in line with inflation have been applied to the remaining licensing fees and charges, including contaminated land enquiries, stray dogs, high hedges, Sutton Safer Trader Scheme, HMO licensing, immigration inspections and administration fees for processing housing grants.

Shared Highways and Transport (Appendix J)

- 4.12 The fees and charges for the Highways and Transport Service (as part of the Shared Environment Service with Kingston) have been reviewed to ensure full cost recovery and cover inflation.

5. Options Considered

- 5.1 An annual review was carried out across all services and has resulted in proposed increases of varying amounts to individual services. In reviewing these charges the options considered was to 1) not increase charges 2) increase by inflation only and 3) increase above inflation.

6. Impacts and Implications

Financial

- 6.1 The proposed fees and charges are predominantly in line with inflation (2%). Where fees and charges are above the rate of inflation this will assist the Services to achieve existing income targets and cover their costs.

Legal

- 6.2 The report proposes changes to the Council's existing charges and fees. Under the constitution the Council's charges and fees should be reviewed annually and any proposals for increasing fees above inflation or for introducing new charges need approval by the relevant committee.
- 6.3 The Council has various powers to impose charges under specific legislation relating to particular services either on a cost recovery basis or otherwise. For example, licensing fees fall within three different categories:
- Fees which are set by statute and cannot be amended by individual local authorities;
 - Fees which are set locally to cover the cost of administering/managing the regime
 - Fees which are set locally but are subject to a cap/maximum limit imposed by statute.
- 6.4 Fees which can be set locally allow a local authority to determine fees to enable it to recover its reasonable cost in carrying out its licensing functions. In these circumstances the local authority needs to consider the effect of European legislation which requires the fee to be proportionate to the cost of the procedures and formalities and must not exceed the cost of those procedures and formalities
- 6.5 The Council also has general power under section 93 of the Local Government Act 2003 ("LGA 2003") to charge a person for discretionary services that is the provision of a service where the Council is authorised but not required to provide the service and the person has agreed to its provision. The power applies where there is no other specific statutory power that covers the proposed charge. The income from charges for a service should not exceed the costs providing the service. Charges may be set differently so that users are charged different amounts.
- 6.6 The Council has power under section 1 of the Localism Act 2011 to do anything that individuals generally may do, subject to specified restrictions and limitations imposed by other statutes. The general power of competence extends to charging for services, but limits on charging are imposed by the Localism Act. The Council may only charge for a service under the general power of competence if: (a) it is a discretionary service; (b) the person agrees to the service being provided; and (c) there is no other power to charge for the service, including in section 93 of the LGA 2003. Taking one financial year with another, the income from charges must not exceed the costs of providing the service.

7. Appendices and Background Documents

Appendix	Title
A	Bulky Waste – Proposed 2017/18
B	Trade Waste - Proposed 2017/18
C	Registration Services – Proposed 2017/18
D	Sports & Leisure Management – Proposed 2017/18
E	Parks & Cemeteries - Proposed 2017/18
F	Bio-Diversity – Proposed 2017/18
G	Life Centre – Proposed 2017/18
H	Library Services – Proposed 2017/18
I	Regulatory Services - Proposed 2017/2018
J	Shared Highways and Transport - Proposed 2017/2018

Background Documents
None



Audit Trail		
Version	Final	Date: 12 January 2017
Consultation with other officers		
Finance	Yes	Sue Hogg
Legal	Yes	Fiona Thomsen
Equality Impact Assessment required?	No	N/A

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