



Report to:	Environment and Neighbourhoods Committee	Date:	1 February 2018
Report title:	Review of Environment, Housing and Regeneration Fees and Charges for 2018/19		
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):	Sharon King-Holmes , Commissioning Officer, 0208 770 5316		
Corporate Plan Priorities:	<ul style="list-style-type: none"> ● An Open Council ● A Green Council ● A Fair Council ● A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	16 January 2018

1. Summary

- 1.1 This report seeks 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 the variation in charges for the following services - Bulky Waste, Trade Waste, Registration Services, Sports and Leisure Management, Parks and Cemeteries, Biodiversity, Sutton Life Centre, Libraries, Heritage & Art Services, Regulatory Services and Shared Highways and Transport.

3. Background

- 3.1 The Environment, Housing and Regeneration Directorate review the fees and charges applied to its services on an annual basis for agreed charges to be levied from 1 April 2018.

4. Issues

- 4.1 The main aim of this review was to:



- 4.1.1 Ensure that all costs associated with the provision of services are fully recovered.
- 4.1.2 Ensure any known increases in contract costs, inflation and other costs are recovered from service users.
- 4.1.3 Address the base income budget position for individual services.
- 4.2 The following services are proposing charges either below or above inflation (assumed at 2%); the rationale for changes is listed in the sections below.

Bulky Waste including fridges (Appendix A)

- 4.3 It is proposed that the fees and charges for bulky waste increase by 1.6% for 1-3 items and 2% for 4-6 items. These charges are included in the contract with Veolia, which started in April 2017.

Trade Waste (Appendix B)

- 4.4 It is proposed that the majority of fees and charges for Trade Waste are increased by 2% in line with the predicted levels of inflation, although this can vary slightly from 2% when rounding numbers up or down. The risk associated with the costs and income from this service sits with Veolia (who took over this work in April 2017 as part of the new waste collection contract) with a guaranteed income to Sutton Council as part of the arrangement.

Registration Services (Appendix C)

- 4.5 Fees and charges have been increased to bring them into line with other Registration Districts for ceremonies both in house and for attending outside venues.

The extension to Russettings (Garden Room) is expected to be in use from April 2018 and has fees set for marriage ceremonies based on benchmarking against other marriage rooms of similar capacity. Fees for conferencing have been set at a competitive prices using benchmarking of a range of similar local venues. It is also intended to offer a small amount of food choices, which will be at cost with a 10% markup for administration. The Joint Naturalisation and Passport checking service remains at the same fee for 2018 /19 as other districts are at a slightly lower fee.

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. Contractually fees are set by the provider, SLM, and is not a Member decision. The overall average increase in prices is 3.05%, in line with CPI, although there are some variations to this as detailed in Appendix D. Income collected is retained by SLM.

Parks and Cemeteries (Appendix E)

It is proposed that the majority of fees and charges for Parks and Cemeteries are increased by 2% in line with the predicted levels of inflation, although this can vary slightly from 2% when rounding numbers up or down. The 2% increase is not applied to the charge for purchase of keys which is remaining at £20 for ease of handling, or the cost to supply and plant a tree (including the cost of maintaining it for two years) which has increased from £250 to £295 to reflect the current cost of undertaking this work.

The membership fees for the three bowls clubs not under a lease arrangement is subject to negotiation in the coming months. These clubs need a minimum number of membership to remain viable, and it is proposed to reduce the fee to retain existing members and to attract new members. The service was subject to a price increase in previous years to ensure full cost recovery, but the cost of maintaining the greens has reduced since Idverde took over the contract in February 2017, so there is scope to reduce fees and still recover full costs.

Biodiversity (Appendix F)

- 4.7 Charges are remaining, in the main, at 17/18 levels. The exceptions are those that generate the most income, such as school sessions at the Ecology Centre and drop in session, which have risen by £5 per session and £0.50, respectively. The estimated income for all sessions, including those that have a slight rise, is sufficient to cover the costs of the Biodiversity Education Officer.

Sutton Life Centre (Appendix G)

- 4.8 The fees and charges at Sutton Life Centre have been amended to increase prices across all areas other than Life Skills Tours. By maintaining the prices of the Life Skills Tours, it is anticipated that this will generate additional income of £2k-£4k over the coming year by attracting new schools to the centre. It is anticipated that the increase in prices across all other areas of the business will generate income above inflation of £4k-£6k in order to further support the achievement of income targets.

Libraries, Heritage & Art Services (Appendix H)

- 4.9 Fees and charges have not risen for the last three years. Following a review and comparison with neighbouring Authorities the conclusion has been that Library and Heritage fines are on the high side. The charging structure for the service is also more complicated than some others. The rationale for the proposed new fees and charges table has been to provide an easy to understand charging structure that enables the service to meet income targets and make it more transparent for the public.

Libraries, Heritage & Art services are proposing to raise fees and fines for adult customers but capping the amount charged and adding a single administration fee rather than a fee plus postage, and abolishing fines for children. The recent increase in online services however and new self service machines serve to help customers to avoid incurring fines. The room hire charges have fallen far behind and the service needs to strike a balance between community



groups who rely on venues such as library meeting spaces to carry out their functions and those who are making a profit from their endeavours such as small businesses and commercial organisations. Therefore a tiered approach is being proposed to give the service more flexibility and improve income streams back from valuable meeting spaces. £25 per hour is in line with neighbouring Authority charges. Additionally, as a result of current investment in better technology and the refurbishment of the Central Library, a more flexible service and better facilities will be available, making room hire more attractive to local businesses as well as other customers.

Printing costs across the service have been inconsistent and confusing for the public. The service will use one machine for both printing and photocopying therefore it does not make sense to have two different charges.

Regulatory Services (Appendix I)

- 4.10 Regulatory Services covers the following functions: Food Safety, Health and Safety, Trading Standards, Private Sector Housing including a Home Improvement Agency, Pollution Control, Licensing and Environmental Enforcement.

Licensing and regulatory fees have been reviewed in light of the Hemmings Supreme Court Ruling which confirmed that licence fees should comprise not only a sum to cover the administrative cost of issuing the licence but also a sum representing the cost to the licensing authority of regulating and enforcing the licensing scheme.

A number of new fees are being introduced across a number of different service areas for discretionary services previously provided free of charge. Examples of services where charges have been introduced are for inspections under the Food Hygiene Rating Scheme, providing business advice to customers, copies of HMO registers and weights and measures visits.

An inflationary increase has been applied to other fees and charges where appropriate.

Shared Highways and Transport (Appendix J)

- 4.11 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 and now includes Street Works Statutory Charges.

The highways licence fees and charges have been reviewed for process harmonisation and administrative streamlining as part of the Shared Environment Service with Kingston.

With regard to the charges for third parties to work on the highway and for the agreement of adoption of highways (Appendix J headings S278 and S38 of the Highways Act respectively) it should be noted that it is rare that the £4,000 minimum charge is invoked. In most cases the percentage fees are charged, so it was felt there was no need to change the minimum charge.



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 of 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 2011. 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.

6.7 Following the coming into force in December 2009 of the Provision of Services Regulation 2009 (SI2009/2999), giving effect domestically to EU Directive 2006/123/EC, and the various judgments in the Hemming and Others v Westminster City Council cases, a Council can legitimately levy licence fees which can be set locally from licence holders of a sum to cover the administrative cost of issuing the licence, but also a sum representing the licensees' share of the cost to the licensing authority of regulating and enforcing the licensing scheme in question. A Council is not entitled to levy enforcement costs in an application, so the Applications for licences are made on the basis that the applicant must pay: (i) on making the application, the costs of the authorisation procedures and formalities, and (ii) on the application being successful, a further fee to cover the costs of the running and enforcement of the licensing scheme. The Hemming and Others v Westminster City Council cases also determined that licence fees set by a local authority must be determined by a committee or officer with duly delegated authority to do so. When setting such a fee, local authorities must carry forward both surpluses and deficits. Local authorities must ring-fence the fees and not make a profit from that scheme.

7. Appendices and Background Documents

Appendix letter	Title
A	Bulky Waste – Proposed 2018/19
B	Trade Waste - Proposed 2018/19
C	Registration Services – Proposed 2018/19
D	Sports & Leisure Management – Proposed 2018/19
E	Parks & Cemeteries - Proposed 2018/19
F	Biodiversity – Proposed 2018/19
G	Life Centre – Proposed 2018/19
H	Libraries, Heritage & Art Services – Proposed 2018/19

I	Regulatory Services - Proposed 2018/19
J	Shared Highways and Transport - Proposed 2018/19

Background Documents

None

Audit Trail

Version	Final	Date: 16 January 2018
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Consultation with other officers

Finance	Yes	Neilesh Kakad/Sue Hogg
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Legal	Yes	Fiona Thomsen/Guy Bishop
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Equality Impact Assessment required?	No	N/A
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