

<b>10 February 2016</b>		<b>ITEM: 14</b> <b>(Decision 01104349)</b>
<b>Cabinet</b>		
<b>Fees and Charges 2016/2017</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non-key	
<b>Report of: Councillor John Kent, Leader of the Council</b>		
<b>Accountable Head of Service:</b> Sean Clark, Director of Finance and ICT		
<b>Accountable Director:</b> Sean Clark, Director of Finance and ICT		
<b>This report is public</b>		

## **EXECUTIVE SUMMARY**

This report seeks approval to revise fees and charges for Thurrock Council with effect from 1 April 2016.

The paper provides narrative for all discretionary charges for each directorate. 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(s)**
  - 1.1 That Cabinet agree the proposed charges as detailed in the appendix.**
  - 1.2 That the committee note the feedback on Fees and Charges from all Overview and Scrutiny Committees (Appendix 2)**
- 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 benchmark against neighbouring authorities.**

2.2 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	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>

2.3 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>

- 2.4 As part of the commercial transformation work that is in progress, detailed sales and marketing plans will be developed for each service area.
- 2.5 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.
- 2.6 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**

- 3.1 The fees and charges for each service area have been considered and the main considerations are set out in the following section.
- 3.2 A report covering the relevant sections of this report was taken to each of the Overview & Scrutiny Committees in December 2015 and January 2016. The relevant sections from the minutes of these committees can be found in Appendix 2.
- 3.3 Adults & Social Care**
- 3.3.1 The strategic objective for charging for Adults & Social Care is to secure full cost recovery where possible. The two biggest areas for Adult & Social Care charging are constrained by national regulations:

- The national CRAG rules apply for residential and nursing care (Charging for Residential Accommodation Guide.) CRAG proscribes what levels of charging apply, the various thresholds and asset levels at which full charging can apply;
- Domiciliary Care: At present Thurrock charge £ 13 per hour and pay the provider £ 13 per hour ( full cost recovery.) The service is means tested against national rules which mean the Council need to ensure ability to pay is fully taken into account (income support level plus 25%.)

3.3.2 It is to be noted that a consultation is underway regarding proposed changes to Adult Social Charges. The proposals affect four main areas of social care services

- Day care for older people and the Care Service
- Charges for the Adult Social Care Service an extra income of £ 100k<sup>1</sup> is earmarked from this element of the savings programme for 16/17.
- Equipment and adaptations costing less than £50
- The provision for Extra Care Housing assumes £ 50k of savings for 16/17 from the new charging regime for extra care

3.3.3 The consultation concludes in December 2015 and a full report of findings and recommendations will be presented in early 2016.

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

#### 3.4 Chief Executive's Office: Thameside Theatre & Museums

3.4.1 In recent years the external income achieved for Thameside Theatre (including museums) is highlighted below.

	<b>14/15 Actual £000's</b>	<b>Budget 15/16 £000's</b>	<b>Forecast 15/16 £000's</b>	<b>16/17 Target £000's</b>
External Income	471.3	346.7	425.0	425.0

3.4.2 The average anticipated increase for 16/17 is 1%, the external income target remains at 15/16 levels and Thameside Theatres will be further reviewed following the development of a detailed sales and marketing plan.

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

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<sup>1</sup> The targeted growth areas for Adults have not been allocated to the £775k growth target (sect 4.3) as they are allocated to a separate MTFS growth item.

### 3.5 Children's Services

3.5.1 In recent years the external income achieved for Children's Services (including libraries) is highlighted below.

	<b>14/15 Actual £000's</b>	<b>15/16 Budget £000's</b>	<b>Forecast 15/16 £000's</b>	<b>16/17 Target £000's</b>
Catering	2,982.9	2,930.8	2,515.7	2,960.2
Libraries	86.4	88.1	83.9	88.9
Grange waters	175.8	376.4	293.2	400.1
Other Youth Related Activities	1,636.8	1,853.1	2,091.6	1,871.6
<b>Total CHS</b>	<b>4,881.9</b>	<b>5,248.4</b>	<b>5,204.4</b>	<b>5,320.8</b>

3.5.2 It is to be noted that in September 2015 Children's Overview and Scrutiny Committee approved a report to be presented to Cabinet January 2016 to spin-out Youth Related Services (including Grangewaters Outdoor Activity Centre.) The proposal results in a 5% reduction from year two of the contract leading to a total saving of 20% over a five year period. To contribute towards the proposed reduction a stretch target of £20k has been allocated towards Grangewater Outdoor Activity Centre for 16/17.

3.5.3 The income levels from the existing library offer is targeted as per budget levels for 15/16, this is largely due to the reduction in opening hours implemented in October 2015. Work will now progress to develop a Thurrock Libraries Sales & Marketing plan.

3.5.4 It is to be noted that Catering Services remains as the highest income activity that is traded to schools, further work will be undertaken to ensure that all council services are actively marketed to schools.

3.5.5 The existing and proposed charges are set out in the Appendix.

### 3.6 Environment: Waste

3.6.1 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.

3.6.2 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>

3.6.3 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%

3.6.4 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.

3.6.5 The charges are consolidated in the Appendix.

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

3.7.1 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.

3.7.2 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
Parks & Open Spaces PN126	52.1	180.4	212.6	212.6
<b>TOTAL</b>	<b>190.7</b>	<b>198.6</b>	<b>234.5</b>	<b>230.0</b>

3.7.3 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.

3.7.4 The charges are set out in the Appendix.

### **3.8 Environment: Cemeteries**

3.8.1 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

3.8.2 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.

Description	15/16 charge	16/17 proposed	Comment
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 to run	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.
Memorial: Additional interment of ashes and replacement plaque for further 7 years where original	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.



subscription has more than 4 years to run			
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3.8.3 A full list of charges is set out in the Appendix.

### 3.9 Chief Executive's Office: Registrars

3.9.1 The Register Office provides the statutory service of registering births eaths & marriages alongside the non-statutory service of nationality checking and citizenship ceremonies (on both a group and individual basis.)

3.9.2 In recent years the external income achieved for the Registrars Services is highlighted below.

	14/15 Actual £000's	15/16 Budget £000's	Forecast 15/16 £000's	16/17 Target £000's
Registrars Income	234.4	155.8	213.5	225.0

3.9.3 In general existing services have increased between 2 -3 % with the exception of the following items.

Description	15/16 charge	16/17 proposed	Comment
24hr Certificate Issue	17.00	20.00	18% and represents a rate that allows full cost recovery of the service while being competitive (this is still a cheaper offer compared to neighbouring authorities.)
2hr Certificate Issue	26.00	30.000	15% and represents a rate that allows full cost recovery of the service while being competitive (this is still a cheaper offer compared to neighbouring authorities.)
Ceremonies held at Thameside – Hawthorne Suite			Ensures full cost recovery of the service.
Sat	210.00	230.00	
Sat pm	260.00	280.00	
Ceremonies held at Thameside – Hawthorne Suite			
Sat	260.00	290.00	
Sat pm	260.00	330.00	

Nationality Checking Service	60.00	70.00	In keeping with the guidelines from the Home Office
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3.9.4 It is proposed that the following new charges are introduced

Description	16/17 proposed	Comment
Non Refundable Deposit for Notice of Marriage Appoints	£35.00	<i>Charges introduced in keeping with other authorities to ensure cost recovery of the service.</i>
Non Refundable Deposit for all Ceremonies at Approved Premises	£100.00	
Non Refundable deposit for all Ceremonies in Register Office Marriage Room	£46.00	
Non Refundable fee for appointment/ceremony rescheduling	£25.00	
Postal Charge	£1.00	

3.9.5 The Register Office operates at an FTE of 4 officers; discussions are underway regarding the utilisation of legal officers (once trained) to undertaken Nationality Checking in order to manage demand during busier times.

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

### 3.10 Commercial: Hall Hire

3.10.1 The strategic objective for charging for Hall Hire services is to ensure cost recovery of the activity (as far as is practicable.) An inflationary uplift of 1% is proposed for existing services.

3.10.2 In recent years the external income achieved for Hall Hire is highlighted below.

	14/15 Actual £000's	15/16 Budget £000's	Forecast 15/16 £000's	16/17 Target £000's
External Income	88.5	82.6	83.4	83.4

3.10.3 The external income target for 16/17 has been maintained at £83.4k and a further review will be undertaken during the development of the sales & marketing plan. The existing and proposed charges are set out in the Appendix.

### 3.11 Public Protection

3.11.1 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>2</sup>.

<sup>2</sup> Gambling Act 2005 & Licensing Act 2003

- 3.11.2 With regard to 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
- 3.11.3 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.
- 3.11.4 In line with the new Government Guidance on Gambling licences the policy and associated fees and charges will be reviewed next year.
- 3.11.5 The existing and proposed charges are detailed in the Appendix.

### **3.12 Highways, Planning & Transportation: Building Control**

- 3.12.1 The fees and charges for Building Control were last reviewed in October 2015. Some further minor alterations to the Building Control fees are being considered but will not yield a significant increase in income. It is to be noted that Building Control income is ring fenced to the separate Building Control account, (in line with CIPFA requirements.)
- 3.12.2 Pre-application charges for planning advice were last reviewed in January 2015. The total planning income is forecast to be £659.8k. An increase in planning income (including pre-application activity) of £25k has been factored into 16/17 as an income target.
- 3.12.3 With regard to Land Charges a full cost recovery model exists. It is to be noted that Government proposals will see the loss of land charge fee income to Local Authorities in 2017 (although Councils will still be required to run a local service.)
- 3.12.4 The existing and proposed charges are detailed in the Appendix.

### **3.13 Highways, Planning & Transportation: Parking**

- 3.13.1 The expansion of the Councils existing parking infrastructure is required to accommodate commuting and regeneration needs. The Council's parking charges in Thurrock are at present below those set by some neighbouring authorities and the private sector.
- 3.13.2 It is to be noted that a separate paper is to be presented to Cabinet recommending a number of investments and changes that will improve parking provision while at the same time generate an additional income of £150k for 16/17.
- 3.13.3 The existing and proposed parking 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.

## **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

### **8. 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

### **9. Appendices to the report**

- Appendix 1: Corporate section of the Draft Fees and Charges booklet 2016/17.

#### **Report Author:**

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Corporate Finance