

REPORT TO	ON
Council	17 January 2018

September 2017



TITLE	REPORT OF
Review of Fees and Charges	Cabinet Member for Finance and Resources

Is this report confidential?	No
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1. PURPOSE OF THE REPORT

To review Fees and Charges pricing policies and seeking approval to:-

- implement Car Parking charges at Worden Park;
- revise the current Pay and Display Car Parking charging Policy for existing Car parks;
- revise the charging policy for Building Control fees;
- set the charge for Public Spaces Protection Orders (PSPOs) Fixed Penalty Notices;
- uplift fees charged for Pre-Planning Advice.

2. RECOMMENDATIONS

Cabinet recommend to Council that:-

1. An increase of 2.5% be applied to all fees and charges with the exception of Licensing, Land Charges, Car Parking, Building Control fees, PSPO Fixed Penalty Notices and Pre-Planning Advice charges with effect from 1st April 2018 (see Appendix 1).
2. Car Parking Charges are introduced at Worden Park to charge £2.00 per day during term time only and £1.00 per day outside of term time and at weekends (as detailed in Option Two in Appendix 2) with effect from 1st April 2018.
3. That the permit scheme currently in place on Worden Park is retained.
4. The pricing structure for existing Pay and Display Car Parking Charges is revised to remove the two lower tariffs of 50p for up to 2 hours and 80p for up to 3 hours and replace them with a charge of £1.00 for up to 3 hours (as per Appendix 3) to be deferred to 1st April 2018.
5. The Car Parking Charges at Leyland Railway Station are increased to £1.50 a day and to £6.00 per week (as per Appendix 3) with implementation between January and March 2018.
6. The new charging policy for Building Control fees as set out in Appendix 4b is implemented between January and March 2018.
7. It is noted that Penalty Notice Charges in respect of PSPOs have been set at £100.00.
8. The charging policy for Pre-Planning Advice (as set out on page 6) is implemented between January and March.

3. EXECUTIVE SUMMARY

- This report collates a number of recommendations to revise charging policies across the Council to generate additional income that totals in the region of £238k as summarised below:

	£
Fees and Charges Uplift as listed in Appendix One	16,936
Worden Park – Option Two in Appendix 2	99,000
Existing Car Parks in Appendix 3	40,000
Building Control in Appendix 4	20,000
PSPOs - Fixed Penalty Notices	1,500
Pre-Planning Application Advice	60,738
Estimated Total Additional Income	238,174

- Historically Fees and Charges have been uplifted on an ad hoc basis across the Council.
- An exercise has taken place to propose a standard inflationary increase in all Fees and Charges.
- It is recommended that this standard increase for 2018/19 should be set at 2.5% as this is comparative with recent CPI rates. The following categories of charges have been reviewed on alternative bases and are therefore excluded from the standard inflationary increase:-
 1. Car Parking Charges
 2. Building Control
 3. Public Spaces Protection Orders
 4. Pre-Planning Advice
 5. Taxi Licencing
 6. Land Charges
- The additional income that will be generated is expected to be £16,936.
- Where applicable Budget Holder have proposed an alternative approach to revising and updating charging policies.
- Car Parking at Worden Park – As detailed in Appendix 2, a new charging policy is proposed to help manage demand an option could be to charge £2 per day at Worden Park during term time only and revert to the £1 per day charge outside term time and at the weekends. This was not included in the consultation carried out which suggested a charge of £1. However, the key theme of the consultation was to establish the principle of charging and not necessarily the tariff. Estimated income generated is £99,000 per annum. The existing permit scheme currently in place with Runshaw College would continue unaltered.
- Further discussions are held with partner agencies over the introduction of a residents parking permit scheme on the Worden Park estate.
- Revision of existing pay and display Car parking Charges - Tariffs within South Ribble are relatively low in comparison to other authorities. It is recommended that Car Parking tariffs should be simplified by removing the two lower tariffs of 50p for up to 2 hours and 80p for up to 3 hours. It is proposed that these are replaced by a new tariff of £1.00 for up to 3 hours.
- Car parking at Leyland Station - It is also proposed to increase the tariff on the railway carpark from £1.00 to £1.50 per day and £4.00 to £6.00 per week.
- With regard to Building Control, the service has returned to a small surplus position and therefore is now compliant with the requirement that the cost of providing a Building Control service does not fall on Council Tax and Business Rate payers.

- To maintain this position the Building Control Manager has re-structured the charging policy.
- The proposed new Building Control statement of charges is set out in Appendix 4b.
- Although it is difficult to accurately forecast demand in future years it is anticipated on past trends that additional income of £20k will be generated.
- New Public Spaces Protection Orders (PSPOs) have been introduced which replace Dog Control Orders. It has been agreed that Fixed Penalty Notices issued should carry a penalty fine of £100.00 to act as a deterrent to offenders.
- PSPOs cover the following:-
 1. Fouling of land by dogs
 2. Dogs in exclusion areas
 3. Keeping dogs under control – leads
- The rate of charges the Council currently charges for Pre-Planning Advice has been compared with other authorities and has shown that the current charges set are lower than those charged by other North West Councils.
- It is considered appropriate that charges should be increased by 25% to bring them into line with current local practice. This will generate additional income of circa. £61k.

4. CORPORATE PRIORITIES

The report relates to the following corporate priorities:

Clean, green and safe	✓	Strong and healthy communities	
Strong South Ribble in the heart of prosperous Lancashire		Efficient, effective and exceptional council	✓

5. BACKGROUND TO THE REPORT

Historically the review of all fees and charges within the devolved budget management regime have been carried out by individual Budget Holders. This paper has collated all fees and charges whereby the Council has discretion to set the amount charged in order for a holistic and standard price increase policy to be implemented.

6. PROPOSALS

Appendix 1 sets out the 2018/19 forecasted income budgets for discretionary fees and charges and the estimated additional income generated should a standard inflationary rate be applied (please note the charges listed are detailed at budgeted level). The rate recommended is 2.5% which is comparable to the current CPI rate. This rate is applied to all discretionary income streams with the exception of Licensing and Pay and Display Car Parking charges where standard increases would generate unusable values. There are other exceptions to this proposal as described above as other more applicable pricing strategies are considered more appropriate dependent on other matters such as market sensitivity and deterrents to discourage behaviours such as dog fouling.

The table below summaries the total scale of additional income that could be generated for each example standard inflationary percentage increase.

Inflationary Rate	Forecasted total additional income
1.0%	£6,775
1.5%	£10,162
2.0%	£13,549
2.5%	£16,936
3.0%	£20,234
3.5%	£23,711
4.0%	£27,098
4.5%	£30,485
5.0%	£33,873

An estimated total of **£0.238m** is forecasted as additional income that could be generated in a full year if the following revisions within this report are made to the Council's Fees and Charging Policies. Fees and Charges across the Council has been analysed and it is recommended that an uplift should be applied to fees and charges by 2.5% with effect from 1st April 2018. There are some exceptions to this recommendation, namely the following:-

- Pay and Display Car Parking Charges
- Building Control Fees and Charges Policy
- PSPO Fixed Penalty Notices
- Pre-Planning Advice Fees and Charges Policy

The above charges are also contained within this reports with separate proposals to revise the relevant charging policies. The rationale and details for each proposal is set out below and within the attached appendices where recommendations are based on particular specific matters e.g. competitive markets, deterrent fines and contribution to meeting the Council's budget challenge. The report also recommends introducing Car Parking Charges at Worden Park. The estimated additional income that could be realised is summarised below:-

	£
Fees and Charges Uplift as listed in Appendix One	16,936
Worden Park – Option Two in Appendix 2	99,000
Existing Car Parks in Appendix 3	40,000
Building Control in Appendix 4	20,000
PSPOs - Fixed Penalty Notices	1,500
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7. CAR PARKING CHARGES

The Medium Term Financial Strategy (MTFS) includes an income target from car parking charges of £110,000 for 2018/19. Therefore the arrangements to achieve the income need to be put in place by 1st April 2018 to ensure the target is delivered.

South Ribble Borough Council owns over 50 car parks across the borough which include town centre pay and display, car parks at public and council buildings, parks and open spaces and small car parks in residential areas. Parking charges within South Ribble have remained relatively constant since their introduction in 2004 in order to support local businesses.

To achieve the MTFS target, consideration is being given to introducing charges on Worden and Withy Grove Parks and simplification of the current tariffs at existing car parks by reducing the number of bands and introducing small increases.

Details of this exercise, including the results of consultation are included within **Appendix 2** to this report.

In addition to new Car Parking Charges this exercise also reviewed existing the Council's Pay and Display Car Parking charging structure, the findings of which are set out in **Appendix 3** to this report.

8. BUILDING CONTROL - Forecasted additional income totals circa. £20,000.

The Building Control trading account has made a surplus in 2016/17. Following a small surplus in 2015/16 this is a significant improved trading position following a number of years of a trading deficit. The Building Control Manager has undertaken a fundamental review of the Building Control charging policy as detailed in **Appendix 4** in order to build upon, and maintain, the service's improved performance within a competitive market. The existing pricing policy is attached at **Appendix 4a** and the proposed pricing policy is attached at **Appendix 4b**.

In summary, the range of charges has been reduced and in some instances replaced on a quote by quote basis. Quantifying accurately the additional income this will generate is problematic within a trading function which is demand led but the Budget Holders estimates that if current demand is replicated in future additional income generated could be circa. £20,000.

The Building Control trading account has been operating in deficit for some years which has been a budget pressure up until 2016/17. This pricing proposal is presented in the belief it will maintain competitiveness and prevent the trading account dropping back into a trading loss position.

Building Control Fees and Charges have remained unchanged since 4th January 2011. A review of the current charges has taken place to assess the amount of officer time taken on each type of job for inspections and administration. It is felt that the proposed charges represent a fair reflection of the time taken to recover costs in order to break even over a given period. We have also added more standard fees because of changing trends in building work.

The proposed charges are in line with neighbouring authorities and may offer more flexibility in attracting further work previously undertaken by approved inspectors in the private sector.

9. FIXED PENALTY NOTICES - Forecasted additional income @ 25% uplift totals circa. £1,500.

The Council adopted Dog Control Orders (DCOs) in September 2009. These orders replaced a number of bye-laws previously in force covering a range of offences and also allowed offences to

be discharged by the payment of a £80 fixed penalty notice, thereby avoiding prosecution and the need to appear at Magistrate's Court.

From October 2017 DCOs lapsed and were replaced by Public Spaces Protection Orders (PSPOs). A Cabinet report was approved to replace DCOs with PSPOs on 25th of October, with the five PSPOs put in place on the 3rd of November 2017.

All offences can be dealt with by issuing a fixed penalty in the sum of £100, this equates to a 25% increase. The maximum fine on summary conviction is currently £1,000.

The Fixed Penalty Notice (FPN) for dog control order offences in the borough has been increased from £80 to £100 for breaching a PSPO. In cases of non-payment, the matter can be taken to court where the maximum fine on summary of conviction is level 3 on the standard scale which is currently £1,000.

The proposed PSPOs will cover the following:-

- Fouling of land by dogs
- Dogs exclusion areas
- Dogs on leads
- Dogs on leads by direction
- Means to pick up foul by dogs

10. PRE-PLANNING APPLICATION ADVICE - Forecasted additional income @ 25% uplift totals circa. **£61k**.

The Planning Manager has identified that the charges for Pre-Planning Application advice are lower than other Authorities in the North West. Developers are received high quality professional advice and therefore the following charging structure is proposed.

Development Size	Current Pre App Fees	Number of Planning Apps 2016/17	Potential Pre App Fees	Potential Income based on 25% taking advice
Householder	Free	329	£50	£4,113
Small	£120	225	£200	£11,250
Medium	£300 (plus £150 per follow up)	171	£500	£21,375
Major	£420 (plus £210 per follow up)	45	£2,000	£22,500
Significant Major	£720 (plus £360 per follow up)	2	£3,000	£1,500
Totals				£60,738

11. OTHER OPTIONS CONSIDERED

This is a new approach to reviewing discretionary fees and charges whereby a revised pricing policy is considered and proposed to the same annual timetable. This report brings together the separate re-pricing of fees and charges proposals.

An alternative option is the 'as is' approach whereby the review of fees and charges is undertaken periodically by the relevant budget holders to varied timescales and determined within the decision making processes within a devolved budget management regime.

Other levels of inflationary increases to the income generated by the Council are also available, however, the options recommended are the optimum proposals considered to be the most appropriate taking into account budget challenges, market sensitivities, competition, incentivisation and deterrent where applicable.

12. FINANCIAL IMPLICATIONS

The financial implications are contained within the body of the report.

The salient financial implications are with regard to generating additional income for the Council to support its MTFs and maximising income opportunities. This serves to protect front line services and aligns resources with the Councils Corporate Plan and Priorities. A summary is listed below:-

An uplift of 2.5% across all discretionary Fees and Charges would achieve forecasted additional expenditure of £16.9K

The proposal made for charging for car parking at Worden Park will achieve circa. £99k additional income to help meet the Council's budget challenges.

A simplified charging policy for existing Pay and Display Car Park charges could realise additional income of circa. £40k.

Revising other charging policies as detailed in the body of the report could realise the following levels of additional income:-

- Building Control £20k
- Fixed penalty Notices £1.5k.
- Pre-Planning Application advice £61k.

13. HR and ORGANISATIONAL DEVELOPMENT IMPLICATIONS

There are no implications as a direct result of the recommendations within this report.

14. ICT/TECHNOLOGY IMPLICATIONS

There are no implications as a direct result of the recommendations within this report.

15. PROPERTY AND ASSET MANAGEMENT IMPLICATIONS

There are no implications as a direct result of the recommendations within this report.

16. RISK MANAGEMENT

The Council recognises the risk of vehicle displacement with regard to introducing car parking charges at Worden Park for which appropriate and effective mitigations will need to be implemented as required.

The budget efficiency savings identified as part of the 2017/18 MTFS may not be realised if Car Parking Charges and/or other Fees and Charges are not restructured into new charging policies.

17. EQUALITY AND DIVERSITY IMPACT

There is no impact on equality and diversity.

19. COMMENTS OF THE STATUTORY FINANCE OFFICER

The Council made a commitment in the budget to focus on income generation in the earlier part of the MTFS in order to protect services being delivered to residents and businesses within South Ribble. The adoption of the proposals within this report can realise additional income totalling £238,000 per annum.

The MTFS contains a target for generating additional income through the revision of car parking charges of £110,000 per annum from 2018/19. The proposals for Worden Park and the existing Pay and Display car parks would generate additional net annual income of £139,000, an estimated additional contribution of £29,000 compared to the target.

The other recommended increases in fees and charges are forecast to generate £99,000 additional income which would help the Council meet its budget challenges over the medium term.

20. COMMENTS OF THE MONITORING OFFICER

Local authorities have a variety of powers to charge for specific statutory services prescribed in legislation. In those instances the Council has no discretion as to how much it can charge. Nevertheless, there are other provisions which allow authorities to decide whether to charge and how much to charge.

The Local Government Act 2003 also provides a power to charge for discretionary services. The power to charge for discretionary services is not available to local authorities if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.

Where the Council charges for such discretionary services, it has a duty to ensure that the income from charges does not exceed the costs of the provision, taking one financial year with another,

Additionally, S1 of the Localism Act 2011 provides local authorities with a general power of competence. Under this provision, similarly, the Council may not recover more than the cost of providing that service. Recovery is assessed taking one year with another.

Where authorities have a duty to provide a statutory service free of charge to a certain standard, no charge can be made for delivery to that standard, however delivery beyond that point may constitute a discretionary service for which a charge could be made.

21. BACKGROUND DOCUMENTS AND APPENDICES

Background documents: 2017/18 Budget and MTFS (February 2017)

Report authors:	Telephone:	Date:
Susan Guinness	01772 625376	1 st September 2017
Mark Gaffney	01772 625671	