



Cabinet (Resources) Panel

9 December 2014

Report title	Fees and Charges Review 2015/16	
Decision designation	AMBER	
Cabinet member with lead responsibility	ALL	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keith Ireland, Managing Director Sarah Norman, Community Tim Johnson, Education & Enterprise	
Originating service	Strategic Financial Services	
Accountable employee(s)	Mark Taylor Tel Email	Assistant Director Finance 01902 556609 mark.taylor@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board Confident Capable Council Scrutiny Panel	20 November 2014 4 February 2015

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the fees and charges as set out in Appendices A to E, to take effect from 1 January 2015 (or as soon as possible thereafter).
2. Approve in the following instances that authority be delegated to the responsible Head of Service to vary fees and charges during the financial year:
 - a. Where the cost of food (including frozen food) and drink procured for resale or onward supply increases, fees and charges may be increased in proportion with

the increased costs, after consulting with the Assistant Director Finance or their representative.

- b. Where an opportunity arises to secure an act or event at short notice and the projected net cost of the act or event is to break even or better, after consulting with the Assistant Director Finance or their representative.
- c. Where an opportunity arises to secure an act or event at short notice and there is a projected net cost of the act or event, after consulting with the responsible Assistant Director and the Assistant Director Finance or their representative.
- d. Where Strategic Executive Board agrees to a short-term change in fees and charges to ensure that a business opportunity can be pursued or secured; if the change is for a period or more than two months then the change to be referred to Cabinet (Resources) Panel for decision during the two month period.
- e. Where an opportunity arises to secure a sale by matching the price to that of an organisation the Council is in competition with, after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory 'price match' documentation is maintained to evidence the one-off fee amendment.
- f. Where the Council wishes to subsidise a charitable event that may not break even that this be considered via an Individual Executive Decision Notice (IEDN) to be approved by the Cabinet Member for Leisure & Communities, the Cabinet Member for Resources and the Assistant Director Finance, using a standard template.
- g. Where market conditions dictate, leisure membership may be varied after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory market information is maintained.
- h. Leisure Centre activity prices may be varied in line with market conditions after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory market information is maintained.
- i. Charges to partner organisations for support services may be varied after consulting with the Assistant Director Finance or their representative.
- j. Court summons costs charged to council tax and business rates payers may be varied following default on payments after consulting with the Assistant Director Finance or their representative.
- k. Where there is an opportunity to secure an act or event or utilise available rooms or halls for hire across the cultural estate and the projected net cost of the act, event or room hire generates a commercial return (including taking account of secondary spend from catering and sales), authority shall be delegated to the Head of Service Entertainments and Events to vary the fees and charges after

consulting with the Assistant Director Finance or their representative. Any such variations will be recorded, along with the reason, as part of the normal audit process. Details of any variations should be reported to Strategic Financial Services in a format agreed by the Assistant Director Finance or his representative. This recommendation widens the scope of delegation of authority, which was approved by Cabinet (Resources) Panel on 15 October 2013, to cover all of the cultural estate.

- I. Where the Council wishes to generate income from advertising upon Council property the charges shall be agreed by the Cabinet Member for Resources in consultation with the Assistant Director Finance.
 - m. Where the cost of poison procured for the purpose of pest control increases, pest control fees and charges may be increased in proportion with the increased costs, after consulting with the Assistant Director Finance or their representative.
 - n. Where new Information Commissioner guidance on charging for property searches is clarified and a relevant decision of Court of Justice of the European Union obtained, that this be considered via an Individual Executive Decision Notice to be approved by the Cabinet Member for Resources and the Assistant Director Finance, using a standard template.
 - o. Where market conditions dictate, charges for commercial waste collection may be varied after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory market information is maintained.
3. Approve that, should any amendment be made to the VAT treatment of specific fees and charges, authority to vary those fees and charges be delegated to the Cabinet Member for Resources together with the responsible Cabinet Member in consultation with the Assistant Director Finance and the responsible Strategic Director.
 4. Approve that authority be delegated to the responsible Cabinet Member in consultation with the responsible Strategic Director and the Assistant Director Finance to vary charges for bars and catering.
 5. Approve that any variation to fees and charges made under delegated authority must be documented and retained to ensure that there is a robust audit trail.
 6. Approve that, in accordance with the requirements of the Financial Procedure Rules, any other variation to fees and charges during the financial year must be approved in advance at Cabinet (Resources) Panel, using the standard report template.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. That the fees and charges for the following items, which are discussed in more detail at section 4.1, are not reviewed as part of this report as they will be subject to separate arrangements for their approval.
 - a. Adult social care contributions to care packages will be the subject of a separate report to Cabinet.
 - b. Street trading, Hackney Carriage and private hire licensing and general licensing charges will be considered separately by the Licensing Committee on 21 January 2015.
 - c. Food and drink prices will be dealt with through delegations for which a separate approval is sought in this report (see recommendation 2.a. above).

1.0 Purpose

- 1.1 The purpose of this report is to present recommended levels for the majority of fees and charges receivable by the Council, to take effect from 1 January 2015 (or as soon as possible thereafter).

2.0 Background

- 2.1 The Council makes a wide range of fees and charges for many of its services. Some are at its discretion, and others are either specified, or heavily restricted, by legislation or Government policy.

- 2.2 The requirements of the Financial Procedure Rules with regard to fees and charges are quoted in full from page 231 of the Council's Constitution below:

1. All fees and charges within the Council's control, influenced by or associated with the Council, shall be approved by the Cabinet (Resources) Panel.
2. The Section 151 Officer shall prepare, not less than once in any twelve month period, a comprehensive fees and charges report to the Cabinet (Resources) Panel, which shall include recommendations on revisions to all fees and charges within the Council's control, influenced by or associated with the Council (with the exception of fees and charges relating solely to the Housing Revenue Account). This shall include reference to all relevant fees and charges for which no change is proposed.
3. All fees and charges shall take into account the full costs of the service in question, including recharges for support services and capital charges, subject to any approvals under paragraph 6.
4. All fees and charges shall be fully reviewed at least once in any twelve month period.
5. At the point of review, all fees and charges shall take into account the increase (expressed in percentage terms) in the estimated costs of the service in question (taken over the forthcoming twelve months), subject to any approvals under paragraph 6.
6. Any deviation from paragraphs 3 or 5 shall in itself require the approval, on an individual fee or charge basis, of Cabinet (Resources) Panel.
7. In considering whether to grant an approval, the Cabinet (Resources) Panel shall consider the following factors: underlying cost and the extent of cost recovery and or subsidy, comparison with other providers of similar or equivalent services, affordability and effect on demand, as well as any other relevant considerations.
8. All fees and charges shall be approved on a VAT-exclusive basis.

9. The Section 151 Officer (or his/her delegate) shall maintain a register of all fees and charges currently receivable by, influenced by or associated with the Council.

2.3 Although all fees and charges set or influenced by the Council would ordinarily fall within the scope of this report, a number have been excluded for various reasons which are set out at paragraph 4.1.

2.4 As in previous years, delegated authority is requested for the Cabinet Member for Resources together with the responsible Cabinet Member in consultation with the Assistant Director Finance and the responsible Strategic Director to adjust any fees and charges as appropriate, where this is as a result of any changes to the VAT treatment.

3.0 Recommended Fees and Charges

3.1 Appendices A to D provide a detailed listing of all of the Council's fees and charges presented for approval by Cabinet (Resources) Panel.

3.2 The fees and charges presented for approval in this report have been subject to detailed review in recent months. Focus has been paid to assessing the level of cost recovery of each fee or charge and the market limits.

3.3 Schedule One of the Building Act 1984 identifies the Regulations which Local Authorities have a duty to enforce in relation to the setting of Building Control Charges. Therefore these charges have been set in accordance with the Building (Local Authority Charges) Regulation 2010, as required by the Building Act 1984. The Scheme for recovery of Building Regulation Charges and Associated Matters for Wolverhampton City Council is included at Appendix E.

4.0 Other Fees and Charges

4.1 The Council also levies other fees and charges that are not included in Appendices A to D, which would normally be approved by the Panel as part of this report but for which no recommendation is being made on this occasion. This includes the following, for which the reasons that a recommendation is not being made in this report are set out below:

1. The charges relating to adult social care contributions to care packages will be the subject of a separate report to Cabinet.
2. The charges relating to street trading, Hackney Carriage and private hire licensing and general licensing will be considered separately by the Licensing Committee on 21 January 2015.
3. Fees and charges relating to food and drink are not included in this report; any changes will be dealt with through delegations set out as part of the fees and

charges protocol, which is set out at 4.2 a. below and for which approval is sought in this report.

- 4.2 In the following instances authority will be delegated to the responsible Head of Service to vary fees and charges during the financial year:
- a. Where the cost of food (including frozen food) and drink procured for resale or onward supply increases, fees and charges may be increased in proportion with the increased costs, after consulting with the Assistant Director Finance or their representative.
 - b. Where an opportunity arises to secure an act or event at short notice and the projected net cost of the act or event is to break even or better, after consulting with the Assistant Director Finance or their representative.
 - c. Where an opportunity arises to secure an act or event at short notice and there is a projected net cost of the act or event, after consulting with the responsible Assistant Director and the Assistant Director Finance or their representative.
 - d. Where Strategic Executive Board agrees to a short-term change in fees and charges to ensure that a business opportunity can be pursued or secured; if the change is for a period or more than two months then the change to be referred to Cabinet (Resources) Panel for decision during the two month period.
 - e. Where an opportunity arises to secure a sale by matching the price to that of an organisation the Council is in competition with, after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory 'price match' documentation is maintained to evidence the one-off fee amendment.
 - f. Where the Council wishes to subsidise a charitable event that may not break even that this be considered via an Individual Executive Decision Notice (IEDN) to be approved by the Cabinet Member for Leisure & Communities, the Cabinet Member for Resources and the Assistant Director Finance, using a standard template.
 - g. Where market conditions dictate, leisure membership may be varied after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory market information is maintained.
 - h. Leisure Centre activity prices may be varied in line with market conditions after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory market information is maintained.
 - i. Charges to partner organisations for support services may be varied after consulting with the Assistant Director Finance or their representative.

- j. Court summons costs charged to council tax and business rates payers may be varied following default on payments after consulting with the Assistant Director Finance or their representative.
- k. Where there is an opportunity to secure an act or event or utilise available rooms or halls for hire across the cultural estate and the projected net cost of the act, event or room hire generates a commercial return (including taking account of secondary spend from catering and sales), authority shall be delegated to the Head of Service Entertainments and Events to vary the fees and charges after consulting with the Assistant Director Finance or their representative. Any such variations will be recorded, along with the reason, as part of the normal audit process. Details of any variations should be reported to Strategic Financial Services in a format agreed by the Assistant Director Finance or his representative. This recommendation widens the scope of delegation of authority, which was approved by Cabinet (Resources) Panel on 15 October 2013, to cover all of the cultural estate.
- l. Where the Council wishes to generate income from advertising upon Council property the charges shall be agreed by the Cabinet Member for Resources in consultation with the Assistant Director Finance.
- m. Where the cost of poison procured for the purpose of pest control increases, pest control fees and charges may be increased in proportion with the increased costs, after consulting with the Assistant Director Finance or their representative.
- n. Where new Information Commissioner guidance on charging for property searches is clarified and a relevant decision of Court of Justice of the European Union obtained, that this be considered via an Individual Executive Decision Notice to be approved by the Cabinet Member for Resources and the Assistant Director Finance, using a standard template.
- o. Where market conditions dictate, charges for commercial waste collection may be varied after consulting with the Assistant Director Finance or their representative, ensuring that satisfactory market information is maintained.

It is planned that amendments will be proposed to change the Council's constitution in order to incorporate delegations in line with those above in order to remove the necessity for the annual approval in the fees and charges report.

5 Financial Implications

- 5.1 Increases in fees and charges will contribute to reducing the Council's medium term budget deficit, which is projected to be £36.7 million by 2018/19 as stated in the 2015/16 Budget and Medium Term Financial Strategy 2015/16 - 2018/19 report presented to Cabinet on 22 October 2014.

- 5.2 Budget adjustments arising as a result of the proposed fees and charges have been incorporated into the 2015/16 budget setting process and will be reported to Cabinet on 14 January 2015.
- 5.3 It is important to be aware that additional income from increases in fees and charges is uncertain, as the resulting impact upon demand that will arise from changes in fees and charges cannot be predicted with certainty.
- 5.4 The impact of these changes to fees and charges will be examined closely throughout 2015/16 as part of the Council's quarterly revenue budget monitoring arrangements and where appropriate, further reports will be presented to Councillors.

[RT/26112014/C]

6.0 Legal Implications

- 6.1 The Council is under a duty to review its fees and charges at least annually and to maintain a register of such charges.

[RB/28112014/Y]

7.0 Equalities Implications

- 7.1 The Council operates an open and consultative approach to the development of its budget and consultation on the general financial position of the Council has been the subject of detailed public consultation. This report and the fees and charges it describes have been based on a series of contributing equality analyses. Adopting this approach helps the council to demonstrate that it has had "due regard" to the requirements of the Public Sector Equality Duty, (PSED) as created by the Equality Act 2010. The results of these analyses indicate that the council can lawfully proceed as that recommendations above describe. The PSED is an ongoing duty and Managers developing new sets of fees and charges will monitor and report back in due course if the results of the monitoring indicate that this is necessary.
- 7.2 Councillors should also be aware that they must have due regard to the Public Sector Equality Duty (PSED) created by Section 149 of the Equality Act 2010 when making budget decisions. What this means in practice is that Councillors must consciously think about the aims of the PSED as part of the decision making process.

8.0 Environmental Implications

- 8.1 This report has no environmental implications.

9.0 Schedule of Background Papers

2015/16 Budget and Medium Term Financial Strategy 2015/16 – 2018/19, Cabinet 22 October 2014.

This report is PUBLIC
[NOT PROTECTIVELY MARKED]

Mid-Year Review of Civic Halls and Slade Rooms Retail Prices, Cabinet (Resources)
Panel 15 October 2013.