

Cabinet (Resources) Panel

1 October 2019

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| Report title | Fees and Charges Review 2020-2021 | |
| Decision designation | AMBER | |
| Cabinet member with lead responsibility | Councillor Louise Miles Resources | |
| Key decision | No | |
| In forward plan | Yes | |
| Wards affected | All | |
| Accountable Director | Claire Nye, Director of Finance | |
| Originating service | Strategic Finance | |
| Accountable employee | Alison Shannon Tel Email | Chief Accountant 01902 554561 alison.shannon@wolverhampton.gov.uk |
| Report to be/has been considered by | All Leadership Teams | Week commencing 26 August 2019 |

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the fees and charges [as set out in Appendices 1 and 2] to take effect from 1 November 2019 (or as soon as possible thereafter).
2. Delegate authority to the responsible Cabinet Member in consultation with the relevant Director as appropriate to vary fees and charges as detailed in Appendices 1 and 2.
3. Delegate authority to the responsible Cabinet Member in consultation with the relevant Director as appropriate to approve any other fees and charges not detailed in Appendices 1 and 2.
4. Approve that in the following instances, authority be delegated to the relevant Director in consultation with the Director of Finance, to vary existing fees and charges during the financial year:
 - a. Where the cost of food (including frozen food) and drink procured for resale or onward supply changes, fees and charges may be set taking the new costs into account.

- b. Where 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 of more than three months then the change should be referred to Cabinet (Resources) Panel for decision during the three month period.
 - c. Where market conditions dictate, fees may be varied provided that satisfactory market information is maintained.
 - d. Charges to external organisations for bespoke professional services may be varied.
 - e. Court summons costs charged to council tax and business rates payers may be varied following default on payment.
 - f. Charges to schools/academies for services delivered under Service Level Agreements (SLAs) may be varied.
 - g. Library charges may be varied to fall in line with Black Country Libraries in partnership participating authorities (Dudley, Sandwell, Walsall and Wolverhampton).
5. Approve that, should any amendments 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 Director of Finance and the relevant Director.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. That the fees and charges for the following items, 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.
 - b. Street trading, Hackney Carriage and private hire licensing and general licensing charges.
 - c. Leisure Services.
2. That the fees and charges which are no longer applicable have been excluded from Appendices 1 and 2.

1.0 Purpose

- 1.1 The purpose of this report is to present recommended fees and charges levied by the Council, to take effect from 1 November 2019 (or as soon as possible thereafter).

2.0 Background

- 2.1 The Council levies a wide range of fees and charges for many of its services. Some are discretionary and others are either specified or restricted by legislation or Government.
- 2.2 In accordance with the Constitution, all fees and charges will be reviewed at least every 12 months, having regard to costs of service delivery including recharges for support services and capital charges.
- 2.3 This report details recommended fees and charges which have been reviewed for which approval is sought.

3.0 Recommended Fees and Charges

- 3.1 Appendices 1 and 2 provide a detailed listing of the Council's recommended fees and charges presented for approval.
- 3.2 The fees and charges presented in this report have been subject to on-going, detailed review in recent months as part of the annual assessment in accordance with the Council's Constitution. Focus has been paid to assessing the level of cost recovery of each fee/charge and relevant statute and regulation as applicable. Market conditions have been considered where relevant and as a result several fees and charges have been frozen or reduced to ensure that the Council remains competitive.
- 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 the City of Wolverhampton Council is included at Appendix 2.

4.0 Other Fees and Charges

- 4.1 The Council also levies other fees and charges that are not included in Appendices 1 and 2. Cabinet (Resources) Panel approval is sought for authority to be jointly delegated to the responsible Cabinet Member in consultation with the relevant Director as appropriate, to approve these fees and charges.
- 4.2 There are certain circumstances where for operational reasons and to afford the necessary commercial and legal flexibility, it is proposed that:
 - a) Authority be jointly delegated to the relevant Director in consultation with the Director of Finance, to vary fees and charges during the financial year or,

b) Authority be jointly delegated to the responsible Cabinet Member for the service in consultation with the relevant Director, to vary fees and charges during the financial year.

4.3 As in previous years, where there are adjustments to any fees and charges as a result of any change to the VAT treatment, delegated authority is requested for the Cabinet Member for Resources together with the responsible Cabinet Member, in consultation with the Director of Finance and the relevant Director.

4.4 Any variations to fees and charges within the scope of this report made under delegated authority must be properly documented and retained by the relevant officers to ensure that there is a robust audit trail. The Director of Finance will maintain an overall record.

4.5 The Council also levies other fees and charges that are not included in Appendices 1 and 2 for which no recommendation is being made in this report. These are:

a) Charges relating to adult care contributions to care packages which are set in line with the national benefits system and will be the subject of a separate report to the Cabinet (Resources) Panel.

b) Charges relating to street trading, Hackney Carriage and Private Hire licensing and general licensing which will be considered separately by the Licensing Committee on 22 January 2020.

c) Charges relating to Leisure Services provided by WV Active which will be subject to a separate report to Councillors.

4.6 It is important to note that fees and charges that are no longer applicable have been excluded from Appendices 1 and 2.

5.0 Evaluation of alternative options

5.1 In determining the proposed fees and charges for approval, consideration has been made to the impact on demand as a result of price fluctuations and commercialisation. Some fees and charges have been frozen or reduced, whilst others have been uplifted. If we were to freeze all prices at the current levels, any potential additional income that could be generated to support the Council over the medium term would be lost. This would therefore impact on the resources available to the Council and potentially service delivery.

6.0 Reasons for decision(s)

6.1 It is recommended that the fees and charges as set out in Appendices 1 and 2 are approved for implementation from 1 November 2019 (or as soon as possible thereafter). It is anticipated that the implementation of the revised fees and charges will generate additional income which will contribute towards reducing the Council's projected medium term budget deficit, which stands at £4.9 million to be identified by 2020-2021, as reported to Cabinet on 31 July 2019.

7.0 Financial implications

- 7.1 Increase in fees and charges income will contribute to reducing the Council's medium term budget deficit, which is projected to be £4.9 million by 2020-2021 as stated in the Draft Budget and Medium Term Financial Strategy 2020-2021 report presented to Cabinet on 31 July 2019.
- 7.2 Any impact on budgets arising as a result of the proposed fees and charges will be incorporated into the 2020-2021 budget setting process and will be reflected in future Budget and Medium Term Financial Strategy update reports to Cabinet.
- 7.3 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, although this is considered during the price setting process.
- 7.4 The impact of these changes to fees and charges will be examined closely throughout 2020-2021 and the remainder of 2019-2020 as part of the Council's revenue budget monitoring arrangements and where appropriate, further reports will be presented to Councillors.
[RP/18092019/C]

8.0 Legal implications

- 8.1 The Council is under a constitutional duty to review its fees and charges at least annually and to maintain a register of such charges. This report and the attached appendices meets this constitutional requirement.
[TS/04092019/D]

9.0 Equalities implications

- 9.1 The Council operates an open and consultative approach to the development of its budget and the general financial position of the Council has, once again, been the subject of detailed public consultation. The changes to fees and charges outlined in the report are primarily as a result of cost increases and inflationary pressures to ensure the Council recovers its costs where possible and provides best value to residents and customers.
- 9.2 Where possible, charges have been frozen in order to minimise the impact on those groups that fall under the protected characteristics. This has formed part of the Council's cumulative consideration, which sits alongside the review of individual fees and charges.

10.0 Climate change and environmental implications

- 10.1 There may be climate change and environmental implications arising from some of the proposed tariff changes, but this will vary depending on the nature of the services.

Individual implications will, therefore, be assessed as part of the fees and charges setting process.

11.0 Human resources implications

11.1 This report has no direct human resources implications.

12.0 Corporate landlord implications

12.1 Several of the tariffs in the attached appendices fall with the responsibility of the Corporate Landlord function. The proposed fees and charges are consistent with current policies for the service.

13.0 Health and Wellbeing implications

13.1 This report has no direct health and wellbeing implications.

14.0 Schedule of background papers

14.1 Draft Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024, report to Cabinet, 31 July 2019.

15.0 Appendices

15.1 Appendix 1 – Fees and Charges Review

15.2 Appendix 2 – Scheme of Charges 2020-2021