

AGENDA ITEM

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COMMITTEE: Administration & Regulation Committee
DATE: 19th January 2015
SUBJECT: Scales of Charges to apply from 1st April 2015
REPORT BY: Head of Finance

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IMPLICATIONS:

LEGAL	COMMUNITY SAFETY
EQUALITIES	ENVIRONMENT
FINANCIAL	✓ CONSULTATIONS
STAFFING	OTHER

WARDS AFFECTED:

PURPOSE

To approve the revised Scale of Charges applying to Administration & Regulation Committee.

RECOMMENDATION(S)

- 1) Committee is recommended to approve the proposed Scales of Charges to apply from 1st April 2015, subject to any amendments it deems necessary.

BACKGROUND

2. As part of the annual estimates process, managers undertake a review of the Scales of Charges to apply in the following year. The review covers the estimated

cost the service, the customer base for charges and any regulatory or statutory guidance that applies; to determine the final charges and income potential for each service. Where possible, chargeable services aim to and in some cases are required by regulation to fully recover the cost of providing the service.

The Councils' approved Fees and Charges framework has been used as a basis for setting the charges, containing guiding principles of viability, fairness and helping the disadvantaged. Charges have been benchmarked against other neighbouring authorities or other local providers, where possible.

At last year's review, Committee agreed that future charges not set by regulatory or statutory guidance should increase by a minimum of the annual retail price index inflation figure applying at each review. The guideline rate for managers at this review was 2%.

REPORT

3. Appendices A1& A2 detail the proposed charges to be approved by this Committee. The income estimate for the charges is expected to be in the region of £1.16 million per annum and is an important source of funding for the Council in an increasingly difficult budget situation.

Brief comments on the 2015 proposed charges from each service division are shown below:

Registration Service

Approval of Premises for Civil Marriages & Partnerships

The Luton Registration Service is a member of the East Anglia Registration Board, that benchmarks all fees within the registration district. The fees are based on the market rate for the provision of the service, together with the registration services staff cost to attend such venues. Based on recent benchmarking no increase is proposed for these charges for 2015, as this would result in customers choosing to use nearest neighbours' services resulting in a loss of income to the Council.

Public (Environmental) Health Service

Street Trading

Street Trading in the Town Centre is controlled under the Local Government (Miscellaneous Provisions) Act 1982. Persons wishing to trade from one of the 18 designated pitches must first obtain a trading 'Consent'. The fees proposed for 2015 increase charges by between 1.8% and 3.4%, which is broadly in line with expected cost inflation pressures. The Street Trading Consent scheme currently generates an annual income of approximately £26,000

Environmental Protection

Air Pollution Control and Subsistence Fees

These charges are set by statutory guidance and are used by local authorities to help improve air quality. The statutory guidance isn't released until March 15 and charges therefore remain at current levels.

Requests for information on potentially contaminated land

This charge is applied when requests are received to search for and provide historical land-use information about a site or property. Requests for the service are infrequent with little income generated. A small inflation based increase is proposed in the charge for 2015.

Smoke Free Enforcement

These are fixed penalty notices issued where individuals or businesses flout smoke-free legislation. The charges are set by statutory regulations, charges remain at current levels.

Licensing

Hackney Carriage and Private Hire Licences

The Taxi and Private Hire Measures Deregulation Bill is currently passing through Parliament and will introduce a number of changes for Local Authorities and for License holders, when it is introduced. The changes included in the bill have been factored in to the charges proposed for the service in 2015 and charges have also been set to be competitive with neighboring Authorities following deregulation.

The changes in the 2015 charges include:

- Licence holders will be able to obtain a licence from any authority and work anywhere in the country (deregulation)
- New Private Hire Operator's License 5 Years (deregulation)
- New Pro rata 11 month vehicle licence (To meet agreed licensing proposal approved by Committee)
- New Production of paper licence and badge (operational, to cover costs)
- New Production of badge only (operational, to cover costs)
- Delete Hackney Carriage, Unmet Demand Fee (no longer applicable as demand survey is concluded)
- Delete Hackney Carriage/ Private Hire, Deposit on Driver's Badge Fee (operational/simplification)
- Delete Private Hire/ Hackney Carriage, Additional Fee for a Transfer (operational/ simplification)

The remaining proposed charges take account of cost inflation and/or are set to be competitive in the post deregulation market to maintain business and income levels for the service.

Gambling Act 2005 and Alcohol Licensing Act 2003

All charges are statutory and subject to regulatory advice. No review or update is expected from the current fee levels and no increases are therefore currently proposed for 2015.

Other Licences

Pet Shops & Animal Boarding, Scrap Metal Dealers Act 2013, Skin Piercing
Tattooists Acupuncture & Electrolysis Registration and Sex Establishments:

Charges are proposed to increase by expected cost inflation only for 2015. Benchmarking indicates that LBC charges are similar to those of neighbouring authorities.

Permissions under Section 115E of the Highways Act

Most of the charges proposed for 2015 broadly take account of expected cost inflation only, but there is one new charge added to ensure that there is some control over what is displayed on the highway beyond what has already been approved through the issue of an initial permit. The fees generate around £13,000 p.a.

Trading Standards

Explosives: Explosives Act 1875 and Fireworks Regulations 2004

All charges are statutory and set by the Health and Safety Fees Regulations. The regulations for 2015 are expected to be published in April 2015 and no increases are therefore proposed. Income generated from the charges is small.

Petroleum (Consolidation) Act 1928 and Petroleum (Transfer of Licences) Act 1936

All charges are statutory and set by the Health and Safety Fees Regulations. The regulations for 2015 are expected to be published in April 2015 and no increases are therefore proposed. Income generated from the charges is small.

Poisons Act 1972

The Poisons Act 1972 prohibits the supply of a range of poisonous substances other than by those persons that are registered with the Local Authority. No increases are proposed at this review for 2015. Income generated from the charges is small.

Highways

Licences

Charges are linked to statutory regulations and remain comparable to the fees charged by other authorities. No increase in the fees is proposed at this review.

New Roads and Street Works Act Licence Charges

The licence fees are linked to statutory regulations and are benchmarked against surrounding authorities. Luton is in the top quartile. No increase in the fees is proposed at this review.

Highways Regional Permit Scheme

The charges are determined by regulatory guidance for the East of England and the regulations require that charges are set to achieve full cost recovery. The current charges achieve this and no increase is proposed at this review.

Local Democracy

Sale of Register of Electors & Copies of Candidates Election Expenses

These charges are set by statute and the revised guidance for 2015 has not yet been received. Charges are currently proposed to remain at the same levels. Only a small amount of income is generated by these charges.

Transport Division

Car Purchase Inspections for Luton Borough Council Employees:

The fee charged is benchmarked against other specialist providers of the service and to remain competitive, no increase in the charge is proposed at this review. Income yield from the charge is approximately £1000 per annum.

The following symbols are used in the Scale of Charges at Appendix A:

- * Statutory charge
- + VAT inclusive charge
- ++ VAT to be added where appropriate.

FINANCIAL IMPLICATIONS

Detailed in the main body of the report.

LEGAL IMPLICATIONS

There are the following legal implications to this report as agreed with John Secker, Legal Services on 6th January 2015.

As indicated in this report, many of the charges levied by the Council are imposed by law. This means that the Council has no discretion and must amend its scale of charges in accordance with the fee set by law. Where a fee is not set by law the Council may only make such charge as is reasonable based on all relevant factors. Any increase may only be such as is reasonable given the purpose of the charge concerned and, where there is guidance on the level of a particular charge or increase in that charge, the Council should not depart from that guidance without showing clear reasons for doing so, supported by appropriate evidence.

HR IMPLICATIONS

There are no HR implications to this report, agreed with Angela Claridge, Legal Services on 5th January 2015

PROPOSAL/OPTION

To approve the fees as shown, or to set charges that are different from the service managers review. There is no discretion available on the statutory charges shown in the report.

APPENDIX

Appendix A1 & A2 – Proposed Scales of Charges for approval by Administration & Regulation Committee

LIST OF BACKGROUND PAPERS **LOCAL GOVERNMENT ACT 1972, SECTION 100D**

Information held on Accountancy drive: ActyFP/Scales of Charges/ 2015-16.