

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

Agenda Item No 6

meeting date: 26 OCTOBER 2017
title: REVIEW OF FEES AND CHARGES
submitted by: DIRECTOR OF RESOURCES
principal author: TRUDY HOLDERNESS

1 PURPOSE

- 1.1 To seek member approval on proposals to increase this committee's fees and charges with effect from 1 April 2018.
- 1.2 These proposals are the first stage in the review of this committee's budget for the forthcoming 2018/19 financial year.

2 BACKGROUND

- 2.1 The council's latest budget forecast allows for a 2% inflationary increase in the level of income raised from fees and charges. The review aims to increase budgeted income for 2018/19 by this amount as a minimum.
- 2.2 Planning application fees are currently set by the Department for Communities and Local Government and so are not covered by this report. Pre-application fees are however set by ourselves as the relevant Local Planning Authority.
- 2.3 Last year when setting fees and charges for 2017/18, there were some substantial increases approved, with an overall increase of 10% being approved. A later report with amendments reduced this increase to 8%.
- 2.4 This higher level of increase was mainly due to a proposal from the planning service to fix the fees and charges until March 2019 and also to introduce a number of new charges.
- 2.5 Whilst the intention at this time last year was for fees and charges to be frozen until March 2019, a full review has still been undertaken in light of the guidance this year from Budget Working Group, as given below – and to allow a fully informed decision to be taken by committee.

3 ADVICE OF BUDGET WORKING GROUP

- 3.1 In August 2017, the Budget Working Group considered the overall three-year Budget Forecast. In summary the forecast shows a potential budget deficit for 2018/19 of £774k after taking £250k from general fund balances.
- 3.2 The key messages from budget working group to officers and for Committees to bear in mind when reviewing the fees and charges are:
 - Any charges should look to meet the costs of providing the services being used.
 - As an absolute minimum all fees and charges should be increased by 2%.
 - Where possible comparison should be made to the charges being made by our neighbours in Lancashire – or wider if appropriate.

- We should thoroughly review our services for areas where we are not charging – but where a charge may be made/appropriate.
 - As part of the review, we should be looking at innovative ways of charging.
- 3.3 The forecast includes an overall increase in income from fees and charges of 2%. Service committees are requested to review their fees and charges in order to achieve this targeted income
- 3.4 The current budgeted income to be received from fees and charges which are set by this committee is £44,830 (as stated above planning application fees are currently set nationally and so are excluded). A 2% increase on this total would therefore generate £900.
- 4 PLANNING APPLICATION FEES – THE GOVERNMENT'S OFFER
- 4.1 As previously stated planning application fees are set nationally by the Government.
- 4.2 On 21 February 2017 the Government wrote to all planning authorities with an offer to increase planning fees by 20% with the proviso that the increased income raised should be invested in their planning departments. We have accepted the Government's offer however the necessary legislation has not yet received consent.
- 4.3 The additional funds raised must be spent entirely on planning functions. It is anticipated that additional income could amount to £72,600.
- 5 BUILDING REGULATION FEES AND CHARGES
- 5.1 There is a national requirement within the Building (Local Authority Charges) Regulations 2010 which states that the charges should be based on achieving a full cost recovery.
- 5.2 Work on calculating the fees and charges have been undertaken and proposed fees for 2018/19 will be brought to your next meeting in November.
- 6 REVIEW OF THE FEES AND CHARGES
- 6.1 To enable this committee to make an informed decision on the level of charges for 2018/19 and to be consistent with other committees. A **proposed** set of fees and charges for implementation from 1 April 2018 is produced for this committee based on the 2% increase so that committee can decide on the level of charges it wishes to levy. These are shown at Annex 1. This annex provides details of:
- the current charge for 2017/18
 - an estimate of the level of 2017/18 income raised by each charge (Net of VAT)
 - the proposed charges for implementation from 1 April 2018
 - an indication of the potential income that may be achieved in 2018/19, should the proposals be agreed (Net of VAT)
 - the resulting percentage increase from 2017/18 to 2018/19
 - Date that each charge was last increased (They are all reviewed annually, but may not necessarily be increased)

- 6.2 The indication of potential income which is shown throughout Annex 1 is provided for guidance purposes only and is based on past and current activity levels. No account is taken of any change in service use which may be influenced by a change in charge levels.
- 6.3 Work is still underway on forecasting income budget levels for 2018/19 and such budget proposals will be reported back to this committee in January 2018 for approval.
- 6.4 The proposals at Annex 1 do not allow for any freezing of fees and charges at their current level until March 2019, as was proposed at this time last year, and this may be something that committee wish to consider. The main reasons for the suggestion last year of freezing fees and charges until March 2019 were:
- A higher level of increase was proposed for the 2017/18 fees and charges than was requested by the budget working group at that time.
 - The fees and charges for 2017/18 are above the average for the area.
 - The estimated increase in income was 8.38% compared to the 1.5% requested.
 - The service proposed some new charges to improve the charging structure of the service in-line with other Local Authorities.
- 6.5 If you agree the recommended charges shown in Annex 1, the estimated extra income raised is £1,110, an overall increase of 2.47% (excluding any increase to Pre-application advice fees the income raised is £280, an increase of 0.62%)

7 RISK ASSESSMENT

- 7.1 The approval of this report may have the following implications:
- Resources – Fees and Charges provide a key income source for the Council. Fees and charges also provide a mechanism to target concessions, and also to charge service users directly rather than allowing the financial burden of certain service provision to fall on the council tax.
 - Technical, Environmental and Legal – The Local Government Acts of 2000 and 2003 extended authorities' powers to charge for discretionary services.
 - Political – none
 - Reputation – Substantial increases to charges can generate adverse publicity.
 - Equality and Diversity – One of the aims of the fees and charges mechanism on many services is to pass on service concession in order to increase inclusivity.

8 CONCLUSION

- 8.1 Work has been undertaken by financial services, heads of service and budget holders in reviewing the fees and charges operated by this committee. This review has now been completed as part of the budget process, for implementation from 1 April, should the proposals be approved.
- 8.2 The Budget Working Group recommends that all service committees seek to increase their fees and charges overall by 2.0%. If you agree with the increase in charges, this committee will meet the target required.
- 8.3 If the pre-application advice charges are fixed at the April 2017 fees, this committee will not meet the target. However, charges set at this time last year saw substantial

increases above those sought by Budget Working Group, with the intention that these be set for a period up to March 2019.

8.4 With regard to planning fees, additional funds raised must be spent entirely on planning functions. It is anticipated that additional income could amount to £72,600. A further report will be brought to committee with regard to the setting of such charges

9 RECOMMENDATION THAT COMMITTEE

9.1 Consider whether to either approve the fees and charges:

- as shown at Annex 1 - with an increase to all charges **including** pre-application advice charges; or
- as shown at Annex 2 - with an increase to all charges **excluding** pre-application advice charges.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES SERVICES

PD11-17/TH/AC
16 OCTOBER 2017

For further information please ask for Trudy Holderness extension 4433

PLANNING AND DEVELOPMENT COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

PLANNING - PLANG	Ledger Code	VAT	Date of Last Change	Current Charge 2017/18	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2017/18 2.0% Inflation	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
				£	£	£	£	%
Planning Decision Notices	PLANG/8231m	Non Vatable	01 April 2017	20.00	4,610	21.00	4,840	5.00

Pre-Application Advice	Minor Developments	PLANG/8495n	VAT Inclusive	01 April 2017	220.00	12,740	225.00	13,030	2.27
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	110.00	-	112.00	-	1.82
	Intermediate Developments	PLANG/8495n	VAT Inclusive	01 April 2017	440.00	8,170	449.00	8,340	2.05
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	220.00	-	225.00	-	2.27
	Major Developments - up to two meetings	PLANG/8495n	VAT Inclusive	01 April 2017	880.00	13,860.00	898.00	14,140	2.05
	- additional meeting	PLANG/8495n	VAT Inclusive	01 April 2017	440.00	-	449.00	-	2.05
	Large Scale Major Developments - up to two meetings *	PLANG/8495n	VAT Inclusive	01 April 2017	1,000.00	-	1,020.00	-	2.00
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	500.00	-	510.00	-	2.00

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					£	£	£	£	%
Pre-Application Advice	Discharge of Conditions Meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	100.00	-	102.00	-	2.00
	Householders - Without Meeting	PLANG/8495n	VAT Inclusive	01 April 2017	50.00	1,280	51.00	1,310	2.00
	- With Meeting	PLANG/8495n	VAT Inclusive	01 April 2017	100.00	3,150	102.00	3,210	2.00
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	50.00	-	51.00	-	2.00
	High Hedge or Tree Issues	PLANG/8495n	VAT Inclusive	01 April 2017	60.00	-	62.00	-	3.33
	Advertisement Advice	PLANG/8495n	VAT Inclusive	01 April 2017	60.00	-	62.00	-	3.33
	Prior Notification – Telecommunications	PLANG/8495n	VAT Inclusive	01 April 2017	110.00	-	112.00	-	1.82
	Prior Notification - all other enquiries *	PLANG/8495n	VAT Inclusive	01 April 2017	150.00	-	153.00	-	2.00
	*New charge April 2017								

PLANNING AND DEVELOPMENT COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

HIGH HEDGES - HIGHH	Ledger Code	VAT	Date of Last Change	Current Charge 2016/17	Budgeted Income Net of VAT for 2016/17	Proposed Charges for 2017/18 1.50% Inflation	Indication of Potential Income Net of VAT for 2017/18	Percentage Increase in Charge
				£	£	£	£	%
Submission of High Hedges Complaint	HIGHH/8460u	Non Vatable	01 April 2017	565.00	0.00	577.00	0.00	2.12

BUILDING CONTROL – BLDGC	Ledger Code	VAT	Date of Last Change	Current Charge 2016/17	Budgeted Income Net of VAT for 2016/17	Proposed Charges for 2017/18 1.50% Inflation	Indication of Potential Income Net of VAT for 2017/18	Percentage Increase in Charge
				£	£	£	£	%
Building Control Decision Notices	BLDGC/8231m	Non Vatable	01 April 2017	20.00	1,020	21.00	1,070	5.00

Total Income from fees and charges set by this committee					44,830		45,940	2.47
Overall extra income generated							1,110.00	

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Planning Decision Notices	PLANG/8231m	Non Vatable	01 April 2017	20.00	4,610	21.00	4,840	5.00

Pre- Application Advice	Minor Developments	PLANG/8495n	VAT Inclusive	01 April 2017	220.00	12,740	220.00	12,740	-
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	110.00	-	110.00	-	-
	Intermediate Developments	PLANG/8495n	VAT Inclusive	01 April 2017	440.00	8,170	440.00	8,170	-
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	220.00	-	220.00	-	-
	Major Developments - up to two meetings	PLANG/8495n	VAT Inclusive	01 April 2017	880.00	13,860.00	880.00	13,860	-
	- additional meeting	PLANG/8495n	VAT Inclusive	01 April 2017	440.00	-	440.00	-	-
	Large Scale Major Developments - up to two meetings *	PLANG/8495n	VAT Inclusive	01 April 2017	1,000.00	-	1,000.00	-	-
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	500.00	-	500.00	-	-

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Pre-Application Advice	Discharge of Conditions Meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	100.00	-	100.00	-	-
	Householders - Without Meeting	PLANG/8495n	VAT Inclusive	01 April 2017	50.00	1,280	50.00	1,280	-
	- With Meeting	PLANG/8495n	VAT Inclusive	01 April 2017	100.00	3,150	100.00	3,150	-
	- additional meeting *	PLANG/8495n	VAT Inclusive	01 April 2017	50.00	-	50.00	-	-
	High Hedge or Tree Issues	PLANG/8495n	VAT Inclusive	01 April 2017	60.00	-	60.00	-	-
	Advertisement Advice	PLANG/8495n	VAT Inclusive	01 April 2017	60.00	-	60.00	-	-
	Prior Notification – Telecommunications	PLANG/8495n	VAT Inclusive	01 April 2017	110.00	-	110.00	-	-
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Total Income from fees and charges set by this committee					44,830		45,110	0.62
Overall extra income generated							280	