

North Somerset Council

Report to the Executive

Date of Meeting: 8 February 2023

Subject of Report: 2023/24 Fees and Charges

Town or Parish: All

Officer/Member Presenting: Ashley Cartman, Executive Member for Corporate Services

Key Decision: YES

Reason: The proposed changes could affect communities living or working in an area comprising two or more wards in the area of the Local Authority, should they choose to use the services.

Recommendations

To approve the changes to fees and charges as detailed in appendix 1.

1. Summary of Report

In accordance with the Council's constitution, this report seeks approval for any proposed increases to fees and charges that are in excess of 10% or are estimated to generate additional annual revenue income of more than £300,000.

Changes to fees and charges outside these parameters are considered by individual Directors and Executive Members.

2. Policy

Fees and charges represent an important source of income, providing funding to assist in achieving the Council's objectives. Some of our fees and charges are effectively set by legislation, but many are locally determined.

Income derived from charging is used to offset the costs of providing the service being charged for, including support service costs. In recommending an appropriate level of fees and charges, managers also consider their client groups and corporate objectives.

The key principals and guidance in relation to the setting of fees and charges was approved by the Executive in February 2016 and are as follows:

Key Principles

Rationale for charging	<ul style="list-style-type: none"> • Charging should be used to increase efficiency in allocating public services, whilst also promoting fairness, encouraging responsible behaviour and enabling and protecting other services.
Ability to charge	<ul style="list-style-type: none"> • Charging is possible where: <ul style="list-style-type: none"> ○ there is a legal power (or lack of a legal barrier); ○ a charging scheme is cost-effective to operate; and ○ it is feasible to exclude non-payers from using services.
Service cost recovery	<ul style="list-style-type: none"> • The total cost of a service (defined as the level of activity at which a charge is made) should include all expenditure required to deliver the service, including all central overheads. There should be a single method for calculating total cost across the Council. • The Council will seek to achieve full cost recovery where appropriate unless there are legal, strategic or contractual reasons for not doing so whilst having regard to current market value and benchmarking. The Council will consider a phased introduction of these fees where there is a legitimate business case. • The full range of pricing structures should be considered, including use of differential pricing. • The impact of charges on service and non-service users' needs to be fully understood.
Subsidies and concessions	<ul style="list-style-type: none"> • Services should only be subsidised if they promote priority objectives or outcomes • Decisions about subsidisation should be made in the full knowledge of the potential income forgone / costs not recovered • Concession schemes should only be granted if they <ul style="list-style-type: none"> ○ promote equity and increase access to services ○ are targeted at specific individuals, groups and/or households.
Income collection and debt management	<ul style="list-style-type: none"> • Cost effective and efficient income collection channels should be in place, involving payment in advance or at point of sale wherever possible.
Income management	<ul style="list-style-type: none"> • There should be a corporate approach to income generation and management, including: <ul style="list-style-type: none"> ○ Consistency of policy and practice across all services and trading units. ○ Specific responsibilities for income generation allocated to individuals at all levels, including named officers for each individual charge. ○ An annual planning and review cycle for income generation and service cost recovery ○ A business case approach to developing and implementing new proposals

Setting and reviewing charges

- Raising revenue from charges for services is an important element in the overall financing of council services and activities and helps to deliver service and strategic objectives.
- Consideration is therefore given, on a regular basis, to the scope for raising revenue through charges for services and to reviewing the appropriateness and adequacy of the levels of charges being proposed or in force.
- Services are generally given an increase in their income targets each year in accordance with agreed budget principles. This will be achieved through a combination of increases to fees and charges, increased use, and through rental and sales income where appropriate. Where information is available, changes to fees and charges will take account of changing circumstances and patterns of service use as well as known and predicted changes to service costs.
- There is a general policy presumption that the levels of fees and charges should rise, each year, in line with the rate of inflation. Accordingly, the charges proposed in each service area should be sufficient to meet the additional fees and charges income reflected in the final draft budget, which is detailed in an annual report to the Executive.
- The following represents the range of factors, which service managers need to consider when setting fees and charges: -
 - Charges determined by primary or secondary legislation
 - Service costs, including inflation
 - Service supply and demand
 - Market conditions
 - Benchmarking with other authorities and other providers
 - Affordability

At its meeting on 10 May 2016, the Council approved the following changes to Financial Regulations:

Statutory Fees and Charges

Where the level of fees and charges are regulated by primary and secondary legislation (e.g. planning applications), no additional approval is required.

Local Fees and Charges

Changes to charges and proposed new charges should take account of the Council's income principles and guidance for determining fees and charges. The following limits apply:

Decision maker	Estimated additional / reduced income (per annum)		Increase / decrease in charge
Director	Up to £100,000	OR	Up to and including 5%
Executive Member	Up to £300,000	OR	Over 5% and up to 10%
Executive	£300,000 or over	OR	Over 10%

Exceptions

The relevant Director(s) shall agree, on an appropriate ad-hoc basis, fees, charges, tariffs or other means of setting prices where the nature of the business is such that a flexible pricing policy is required. The areas of such flexibility are to be agreed with the relevant Executive Member.

All changes to car parking charges shall be subject to approval by the Executive.

3. Details

Appendix 1 provides a detailed schedule of all proposed fees changes that fall within the approval limits of the Executive as detailed in section 2 above.

The basis for these changes include a range of themes, the main themes are as follows:

- Updated/new charges following benchmarking with other authorities
- Updated charges to cover increases in costs to ensure the Council is recovering costs where possible, this is particularly important in 2023/24 due to the unprecedented level of national inflation and cost increases to the Council

4. Consultation

The changes are in accordance with the Council's policy guidance and principles and, as such, no consultation has been undertaken. The revised fees and charges will be published on the Council's website.

5. Financial Implications

In general terms, the 2023/24 budget setting process added 1.25% to income budgets, although in some areas, specific additional income targets are included especially where the cost of providing the service is increasing by more than 1.25%. The fees set out in this report are designed to ensure that these budget targets are achievable.

6. Legal Powers and Implications

Trading and charging for services have been a feature of local government for a considerable time. Specific powers to charge for services are contained in a variety of local government statutes. The Local Authorities (Goods and Services) Act 1970, the Local Government Act 2003 and the Localism Act 2011 empower councils to charge for discretionary services on a cost recovery basis.

7. Climate Change and Environmental Implications

No direct implications identified.

8. Risk Management

In some cases, increases in fees and charged can be a disincentive to the take up services. Service managers have taken this into consideration when reviewing charges and no material risks have been identified in this respect.

9. Equality Implications

The changes are in accordance with the Council's policy guidance and principles. No significant negative equality implications have been identified.

10. Corporate Implications

None, other than those already identified.

11. Options Considered

A variety of options will have been considered by service managers, but the changes proposed here reflect a balance of factors required to be considered in reviewing prices, as described in section 2.

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Appendices:

Appendix 1 Detailed Fees and Charges changes to be approved by the executive

Background Papers:

Report to Executive 2 February 2016 – Fees and Charges Policy
<http://apps.n-somerset.gov.uk/cairo/docs/doc27177.pdf>

Detailed Fees and Charges changes to be approved by the executive

APPENDIX 1

Fees & charges service	Fees & charges heading	Description	2022/23 existing	2023/24 proposed	Increase / Decrease		Basis for change	Additional information
					%	£		
Corporate services - moved into Place Directorate	Street naming and property numbering fees	Name or rename an existing property (per unit – VAT exempt)	£122.50	£55.00	-55.10%	-£67.50	Benchmarking	Narrative and charging model change following benchmarking with other councils. Previously these were charged per request, these will now be charged per unit as per the new narrative.
Corporate services - moved into Place Directorate	Street naming and property numbering fees	Name or number a new property (per unit – VAT exempt)	£62.00	£65.00	4.84%	£3.00	Benchmarking	Narrative and charging model change following benchmarking with other councils. Previously these were charged per request, these will now be charged per unit as per the new narrative.
Corporate services - moved into Place Directorate	Street naming and property numbering fees	Recombine units within an existing property (per unit – VAT exempt)	£42.00	£65.00	54.76%	£23.00	Benchmarking	Narrative and charging model change following benchmarking with other councils. Previously these were charged per request, these will now be charged per unit as per the new narrative.
Corporate services - moved into Place Directorate	Street naming and property numbering fees	Enquiries from solicitors, banks and building societies (per request - excluding VAT)	£42.00	£72.00	71.43%	£30.00	Benchmarking	Narrative and charging model change following benchmarking with other councils. Previously these were charged per request, these will now be charged per unit as per the new narrative.
Corporate services - moved into Place	Local land charges	Residential - LLC1 (no VAT)	£24.50	£0.00	-100.00%	-£24.50	Benchmarking	Remove from sales, fees and charges. This fee is now charged by HMLR.
Corporate services - moved into Place Directorate	Local land charges	Residential - CON29 (incl VAT)	£92.10	£102.00	10.75%	£9.90	Benchmarking	Increase is based on benchmarking with other councils in the Southwest of England. It is important to note that this will not result in a significant overall increase in cost paid by the customer for a full searches as the LLC1 fee (above) is now only charged at £15 by HMLR. The combined increase of LLC1 and CON29 is therefore minimal.
Corporate services - moved into Place Directorate	Local land charges	Residential - CON 29 NLIS Electronic provider (incl VAT)	£86.58	£95.88	10.74%	£9.30	Benchmarking	Increase is based on benchmarking with other councils in the Southwest of England. It is important to note that this will not result in a significant overall increase in cost paid by the customer for a full searches as the LLC1 fee (above) is now only charged at £15 by HMLR. The combined increase of LLC1 and CON29 is therefore minimal.
Corporate services - moved into Place	Local land charges	Commercial - LLC1 (no VAT)	£42.50	£0.00	-100.00%	-£42.50	Benchmarking	Remove from sales, fees and charges. This fee is now charged by HMLR.
Corporate services - moved into Place Directorate	Local land charges	Commercial - CON29 (incl VAT)	£148.60	£176.00	18.44%	£27.40	Benchmarking	Increase is based on benchmarking with other councils in the Southwest of England. It is important to note that this will not result in a significant overall increase in cost paid by the customer for a full searches as the LLC1 fee (above) is now only charged at £15 by HMLR. The combined increase of LLC1 and CON29 is therefore minimal.
Corporate services - moved into Place Directorate	Local land charges	Commercial - CON 29 NLIS Electronic provider (incl VAT)	£139.68	£165.44	18.44%	£25.76	Benchmarking	Increase is based on benchmarking with other councils in the Southwest of England. It is important to note that this will not result in a significant overall increase in cost paid by the customer for a full searches as the LLC1 fee (above) is now only charged at £15 by HMLR. The combined increase of LLC1 and CON29 is therefore minimal.
Dog Warden Service	Stray dogs (VAT exempt)	Stray dogs (VAT exempt) daily kennelling fees (maximum seven days)	£15.00	£17.50	16.67%	£2.50	Inflation / Cost Recovery	To cover the daily kennelling charge to the Council which is increasing in 23/24
Licences, registration and permits	Business premises (plus VAT)	Revisit premises to early re rate	£145.00	£185.00	27.59%	£40.00	Benchmarking	Alignment with other similar premises in the Southwest
Licences, registration and permits	Hackney and Private Hire Licences	Drivers (3 year licence) - Suitability Test	£20.00	£25.00	25.00%	£5.00	Inflation / Cost Recovery	To cover an increase in costs of officer invigilation and booking
Licences, registration and permits	Hackney and Private Hire Licences	Drivers (3 year licence) - DBS check (enhanced)	£44.00	£38.00	-13.64%	-£6.00	Fee reduction	Statutory fee reduction

Detailed Fees and Charges changes to be approved by the executive

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Fees & charges service	Fees & charges heading	Description	2022/23 existing	2023/24 proposed	Increase / Decrease		Basis for change	Additional information
					%	£		
Building regulation fees	Building control – work to domestic buildings	Garage and car ports up to 40sqm	£235.00	£259.00	10.21%	£24.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building control – work to domestic buildings	Replacement windows	£140.00	£155.00	10.71%	£15.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building control – work to domestic buildings	Renovation of thermal element	£140.00	£155.00	10.71%	£15.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - extensions 40sqm to 60sqm	£800.00	£887.00	10.88%	£87.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - extensions 60sqm to 80sqm	£920.00	£1,026.00	11.52%	£106.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - extensions over 80sqm up to 300sqm	£990.00	£1,109.00	12.02%	£119.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - Conversion of garage into living accommodation	£325.00	£370.00	13.85%	£45.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - Renovation of thermal element	£160.00	£185.00	15.63%	£25.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - Replacement windows	£150.00	£186.00	24.00%	£36.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Regularisation - Electrical work (non Competent Persons Scheme)	£425.00	£653.00	53.65%	£228.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Building regulations (full plans and building notice) Estimated cost of works - 10,001 – 20,000	£485.00	£534.00	10.10%	£49.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Building regulations (full plans and building notice) Estimated cost of works - 30,001 – 40,001	£760.00	£839.00	10.39%	£79.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Building regulations (full plans and building notice) Estimated cost of works - 50,001 – 70,000	£935.00	£1,040.00	11.23%	£105.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Building regulations (full plans and building notice) Estimated cost of works -70,001 – 90,000	£1,000.00	£1,109.00	10.90%	£109.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Building regulation fees	Building regulation notices (incl. VAT)	Building regulations (full plans and building notice) Estimated cost of works -90,001 – 110,000	£1,070.00	£1,178.00	10.09%	£108.00	Benchmarking	Regularisation applications should be charged at a rate 20% greater than the standard charges
Planning Fees	Planning decision notices	Copy of a decision note	£15.00	£17.00	13.33%	£2.00	Inflation / Cost Recovery	Time taken has been reviewed to ensure cost recovery
Planning Fees	Planning Enforcement	Confirmation of closure of enforcement case	£100.00	£150.00	50.00%	£50.00	Inflation / Cost Recovery	Time taken has been reviewed to ensure cost recovery
Planning Fees	Pre submission validity check	Pre submission validity check	£85.00	£100.00	17.65%	£15.00	Inflation / Cost Recovery	Time taken has been reviewed to ensure cost recovery
Planning Fees	Confirmation legal agreement complied with	Per site	£85.00	£150.00	76.47%	£65.00	Inflation / Cost Recovery	Time taken has been reviewed to ensure cost recovery
Planning Fees	Written advice about the need for planning permission	Written advice about the need for planning permission	£85.00	£100.00	17.65%	£15.00	Inflation / Cost Recovery	Time taken has been reviewed to ensure cost recovery
Planning Fees	Planning history searches	Planning history searches	£85.00	£100.00	17.65%	£15.00	Inflation / Cost Recovery	Time taken has been reviewed to ensure cost recovery

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					%	£		
Environment	Memorial Bench	Extra Refurbishment	£200.00	£270.00	35.00%	£70.00	Inflation / Cost Recovery	To cover an increase in costs in materials/contract, this charge has not been increased for two years
Environment	Tree preservation order	Copy (1st class, large letter P&P)	£7.90	£9.57	21.14%	£1.67	Inflation / Cost Recovery	To cover an increase in staff costs and postal charges
Highways Licences	Traffic signals (VAT exempt)	Traffic signal / zebra temporary switch off/on	£250.00	£306.00	22.40%	£56.00	Inflation / Cost Recovery	To cover an increase in contract rates to ensure cost recovery
Highways Licences	Traffic signals (VAT exempt)	Late / Non confirmed cancellations	£125.00	£153.00	22.40%	£28.00	Inflation / Cost Recovery	To cover an increase in contract rates to ensure cost recovery
Highways Licences	Traffic signals (VAT exempt)	MOVA data requests	£125.00	£153.00	22.40%	£28.00	Inflation / Cost Recovery	To cover an increase in contract rates to ensure cost recovery
Highways Licences	Temporary development signage	Guidance/review of Temporary Traffic Management Proposals	£45.00	£50.00	11.11%	£5.00	Benchmarking	To ensure a consistent charge with other inspection charges
Highways Licences	Road opening licence – section 50	Road Opening Licence New Apparatus	£410.00	£470.00	14.63%	£60.00	Inflation / Cost Recovery	To cover increases in admin/inflation and benchmarked against other local authorities
Highways Licences	Road opening licence – section 50	Road Opening Licence Existing Apparatus	£260.00	£320.00	23.08%	£60.00	Inflation / Cost Recovery	To cover increases in admin/inflation and benchmarked against other local authorities
Highways Licences	New Roads and Street Works Act	Application for temporary traffic signals	£30.00	£35.00	16.67%	£5.00	Inflation / Cost Recovery	To cover increases in admin/inflation and benchmarked against other local authorities
Highways Licences	Traffic regulation order (VAT exempt)	Extension to temporary traffic regulation orders	£500.00	£750.00	50.00%	£250.00	Inflation / Cost Recovery	To cover increase in admin/inflation plus cover costs of advertising
Highway Licences	Written response to enquiries on highways or public rights of way records (VAT exempt)	Copy inc p&p (1st class, large letter P&P)	£8.20	£9.89	20.61%	£1.69	Inflation / Cost Recovery	To cover an increase in staff costs and postal charges
Highways Licences	Electric vehicle charging	Electric Vehicle Charging - Rapid Charge	£0.29	£0.95	227.59%	£0.66	Inflation / Cost Recovery	To cover national price increase
Community halls and venues	Somerset Hall	Lounge Bar area and half hall (6pm - midnight)	£175.00	£200.00	14.29%	£25.00	Inflation / Cost Recovery	To cover an increase in costs for energy, staffing and building maintenance