

## Appendix J (i)

**FEES & CHARGES****1.0 Introduction**

- 1.1 The Brent 2020 vision sets out the actions the council needs to take over the next five years to deliver priorities and support the residents of Brent. One of the five key priorities agreed for Brent 2020 was raising additional income to support the delivery of core services.
- 1.2 This has been progressed through the establishment of the Civic Enterprise Board which, amongst other things, is tasked with implementing a strategic approach to optimise income generation including a work stream to review and revise existing fees and charges.
- 1.3 An initial budget planning document was agreed as part of the current medium term financial plan (MTFP), which outlined a rationale for increased income from fees and charges, benchmarking Brent Council with the average service income for 2013/14 for Outer London Boroughs. These amounts are the net increase in income, after deducting any necessary expenditure to provide any additional services. This formed the basis for the income target set against this work stream. In some cases the fees proposed have been adjusted downwards in recognition of changes in the market and level of competition. No additional net income was assessed for Adult Social Care, Children's services or Education / Schools.
- 1.4 To progress this work, a research exercise was undertaken. Those areas identified as offering services that attract a fee, make a charge or impose a fine were contacted to provide a record of those charges. Potential new charges/fees were also sought. The exercise also required service managers to undertake benchmarking to establish the level of charge imposed by neighbouring boroughs or by similar service providers nearby. Information was also sought with respect to the level of demand for each service.
- 1.5 An overall policy to amend Fees and Charges has been produced. This is intended to provide the means of altering fees and charges, through delegated powers, so that managers have greater flexibility and control in optimising commercial returns. A copy of the policy is provided at the bottom of this report.
- 1.6 The table below indicates the target and the potential shortfall in MTFP income generation plans after receiving revisions from service areas. The proposed revision to charges by service area is provided at Appendix I. Not all fees and charges were able to be amended because many are fixed by statute.
- 1.7 This shows that service managers are currently comfortable with revising their fees and charges upwards to a level that contributes an additional £0.7m revenue towards the Civic Enterprise target.

<b>Additional Income MTFP Target</b>	<b>Target*</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>2 Yr Shortfall</b>
Waste	470		376	94
Planning and Development	322	56		266
Highways and Transportation (Excl Parking)	464	86	34	344
Culture, Sport and Recreation	726	145		581

<b>Subtotal MTFP Targets</b>	<b>1,982</b>	<b>287</b>	<b>410</b>	<b>1,285</b>
<b>Additional to MTFP Target</b>				
Public Safety / Food Safety		34		-34
Licensing		7		-7
Pest Control		21		-21
<b>Subtotal additional savings</b>	<b>0</b>	<b>62</b>		<b>-62</b>
<b>Additional Income totals</b>	<b>1,982</b>	<b>349</b>	<b>410</b>	<b>1,223</b>

\*To bring us in line with Outer London Averages 2013-14

- 1.8 **Regeneration and Environment**, therefore, offers the most significant potential for upward revision, with the main contributors being waste, sports/event bookings and burial charges within Environmental Improvement, works fees within Highways and Infrastructure, completely new enforcement work around highways damage and building works and more aggressive commercial activity with respect to pest control. Employment and Skills have not contributed to this exercise because that service is in the midst of reviewing its fees in greater detail, on the basis they are extremely complicated due to the system of concessions/means tests. Fees imposed for parking have also not been included as part this exercise because potential increases in this area are assumed by a separate savings exercise.
- 1.9 **Waste**  
The council currently charges customers £40 for an annual subscription to the garden waste collection service. This operates fortnightly and has just under 20,000 customers, some of whom are eligible for a concessionary 20% reduction in the cost. Benchmarking shows that, of the 33 London Boroughs for which we have data, just under half (15) also currently impose a charge for garden waste; and of those that charge, 11 are charging more than us for a similar service, with some charging up to £96 per annum for a comparable service. Some boroughs who operate a chargeable service offer some form of means-tested/ income related discount, whilst others offer no discount. Section 93 of the Local Government Act 2003 allows local authorities to recover the costs of providing discretionary services such as garden waste collection, but the income from any charge should not exceed the cost of providing the service. The council proposes an increase to £50 for 2017/18, increasing to £60 in £2018/19, in order to move the service towards a cost neutral position. The current rate of £40 will be held for renewals made up to 31st March 2017.
- 1.10 **Highways Enforcement**  
The council proposes the creation of a new Highways Enforcement team, to sit within the Environmental Improvement Service, to be specifically focused on strengthening highways enforcement (damaged infrastructure, pavements etc.) on a cost recovery basis. At present, highways enforcement is limited by virtue of the resources available. This means that the function is entirely reactive, and that the highway infrastructure is only afforded limited protection from unauthorised use and damage. It also means income from licences and fines is low. The proposal envisages a dedicated team, responsible for co-ordinating the Council's Highways Enforcement and licensing work, dealing with offences (and licensing work) relating to hoardings, skips and scaffolding, advertising boards, abandoned vehicles, untaxed vehicles,

grass verges, building materials, cranes, and vegetation overhanging the public highway. A business case has now been developed which would see the creation of a team of four, comprising, i.e. a focused team, proactively patrolling known problem areas and issuing licences and/or fines for builders' materials, skips, cranes, hoardings, and cross-overs, among other things; as well as working with the Planning and Highways team to ensure any damage incurred on the highway can be traced back to developers wherever possible, and they can be held to account for the cost of repairs. The business case demonstrates that a dedicated team would more than pay for itself through revenue generated and costs avoided. A total net benefit of £102k is anticipated.

#### 1.11 Planning and Development

In terms of planning, one of the recommendations from the 2016 Planning Improvement Peer Challenge by the Local Government Association (LGA) related to enhancing the pre-application advice service to improve the offer generally, but particularly for local residents and small businesses and for strategically important applications. This has necessitated a review of the range of services offered and applicable fees. The current pre-application service has been reviewed to enable a clear and coherent offer that differentiates between scale and complexity of proposals, offers a greater choice of methods for receiving advice (written, meeting, site visit etc.), and ensures early councillor and corporate involvement where appropriate on strategic schemes. In some cases the fees proposed have been adjusted downwards. It is hoped this will make seeking pre-application advice more accessible. In particular, the proposal enhances the offer to householders and small businesses (currently, the fee for written advice is £200; the proposal introduces a short meeting with the Duty Planner at £75). It also enhances the offer for strategic applications which are important to the Council, offering a range of meetings and the opportunity to present to committee to seek early councillor views. The new offer and fee structure is intended to be launched in April 2017. The income received will fund the resources needed to deliver the service.

#### 1.12 Food Safety

The Council carries out around 1000 food hygiene inspections a year of premises who are then issued a rating under the Food Hygiene Rating Scheme (FHRS) rating between 0 and 5. They can request a re-visit to re-assess any poor FHRS rating, and we currently expect approximately 10% of inspected businesses to do this. The inspections are free of charge, currently. The FHRS Brand Standard is changing in 2017 to allow Councils to charge for requests for re-rating. Brent has opted to become an early adopter of this charging scheme. The general power to charge is subject to a duty to secure that the income from charges does not exceed the costs of provision of that service (it is provided upon a non-commercial basis). No charge could be imposed for an inspection visit that is required by Law. The fee has been calculated and set at £260 per re-rating request for 2017-18. It is anticipated that the council will receive and process approximately 25 requests for re-visits/re-rating in 2017-18 equating to an income of £6,500.

1.13 Within **Community Wellbeing**, the Culture Service offered the greatest upward revision (£20k), particularly with respect to the library service and for sports activities.

1.14 Within **Resources**, the Registration and Nationality service seek to adjust prices, however the service area is subject to a separate savings target and therefore are not included in the fee increases summarised in the table at paragraph 3.7.

## 2.0 Legal Implications

- 2.1 The Fees and Charges Policy sets out the legal powers the Council has in respect of fees and charges.
- 2.2 In broad terms, currently in the absence of any delegations, any increase in fees and charges for regulatory services (e.g. licensing, planning etc.) have to be reported to Full Council for approval if associated with a non-executive function. Fees and charges for discretionary services are usually executive functions and therefore any increase would need to be approved by Cabinet.
- 2.3 The policy proposes that the Chief Executive and Strategic Directors, in consultation with the relevant Cabinet Member, be given the delegated power to set and vary fees and charges either annually or more frequently where this is considered necessary. The parameters within which officers can set and vary fees and charges are set out in Annex A, as are those fees and charges which have been excluded from the scope of officer delegated powers.

### **3.0 Financial Implications**

- 3.1 Additional income of £0.7m has been identified from increasing existing fees and charges, across 2017/18 and 2018/19. This is mostly in 2018/19 and unless further opportunities are identified there will be a shortfall against the budget assumptions, requiring additional savings to be found.

### **4.0 Equality Implications**

- 4.1 One of the five key priorities agreed for Brent 2020 was raising additional income to support the delivery of core services.
- 4.2 Any increase in fees and charges, regardless of the service provided, will have a more adverse impact on those individuals and socio-economic groups who are less able to meet the cost. Some charges may particularly impact on specific age groups (e.g. burial service charges and fees) and those who are less mobile or have a disability (e.g. waste collection charges). On the whole, however, children, young people and vulnerable adults are protected from the proposed fees and charges. No additional net income is planned for Adult Social Care, Children's services or Education / Schools. Service areas will be tasked to ensure that any changes are properly communicated and that whenever possible any specific individual needs that emerge are reasonably considered.
- 4.3 A high level Equality Analysis is included below. Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.