

Proposed Increases in 2007/08 Charges for Furniture Storage and Travellers License Fees

1. Furniture Storage Charges

- 1.1 The Council has a legal obligation under the homelessness legislation to ensure the safe-keeping of homeless households' goods. Prior to July 2006 this service was generally offered at no cost to the customer. In January 2006 Members approved changes to the furniture storage service. These changes included the introduction of a combination of charges for the service and restricting access to it. The new policy was implemented from 01/07/06, and applied to work undertaken from that point onwards. The new policy enabled the Council to charge customers for both removal and monthly storage costs. The charges introduced took into account the fact that many of our customers are either not in work or on low incomes. Two rates were set, for customers who were working and those not in work.
- 1.2 However since the introduction of the charges, there has been no significant reduction in the number of removal and storage jobs that the Council carries out for this client group. Officers therefore consider it reasonable to propose to increase the current monthly charge to customers for storage to 90% of the cost that the Council pays. The new schedule of charges would therefore be as follows:

Charges	Removals July 06	Removals Nov 07	Monthly Storage July 06	Monthly Storage Nov 07
Working Customers	Full cost up to a maximum of £120 (approx 90% of jobs are within this price range)	No change	£15 per container up to a maximum of £30	£28 per container up to a maximum of £84
Non-working customers	£50	No change	£10	£28 per container up to a maximum of £56

- 1.3 There may be an increase in complaints as a result of this change. However by setting upper limits to the amount which can be charged, and by charging below the rate that the Council itself pays, it is felt that the charges are reasonable. In addition it should be noted that the existing provisions for agreeing exemptions to the policy will continue. It is intended that the new charging schedule is applied from 05/11/07 onwards, to all new requests for assistance.

2. Travellers Site License Fee

- 2.1 On 8 December 2003 the Council's Executive Committee approved proposals for the future management of the site, which because of the need for substantially increased funding, was agreed subject to growth of £124K being approved by Full Council as part of the 2004/2005 budget process. The growth bid of £124k was approved by Full Council and a contract with Novas Overtures commenced June 2004. It was also agreed that Licence Fees on the site would increase from £98 per week to £150 per week in order to raise the remaining shortfall in funding to pay for the Novas contract. There has been an annual adjustment in the contract price in accordance with RPI but nevertheless, the contract fee payable to Novas has overall decreased over the last 2 years as a result of reduced levels of staffing in line with the terms of the contract.
- 2.2 However, although the licence fees were increased in March 2007 from £150 to £160 it is recommended that they be further increased from £160 to £212 per week in order to fund the specialist travellers management which has been in place on the Site since 2004. It is proposed that the licence fee increase be effective from Monday 19th November 2007, or the earliest date when four weeks notice could be applied. The proposed licence fee increase is covered by Housing Benefit which is payable on all pitches on the site. The proposed increase in licence fee will generate an additional £84k per annum thereby reducing the amount payable for the management fee from the general fund. There will be part year savings in 2007-08 estimated at £21k.