

FEES AND CHARGES 2018/19

Report of the: Chief Finance Officer
Contact: Lee Duffy / Ian Dyer / Andrew Lunt / Joy Stevens / Mark Berry

Urgent Decision?(yes/no)

If yes, reason urgent decision required:

Annexes/Appendices (attached): **Annexe 1** - Fees and Charges Schedule 2018/19

Other available papers (not attached):

REPORT SUMMARY

This report recommends fees and charges for which this Committee is responsible, with the new charges being effective from 1 April 2018.

RECOMMENDATION (S)

That:

- (1) The Chief Finance Officer be authorised to vary fees and charges for items generating income under £1,000 per annum and/or for one-off services or items; and**

And, subject to the approval of Council, the Committee:

- (2) Agrees the fees and charges for 2018/19 as set out at Annexe 1.**

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 As set out in the revenue estimates report on this agenda.

2 Background

2.1 The Council will meet to agree the budget, including estimates of income and expenditure, on 20 February 2018. To enable the budget to be finalised, the Policy Committees are asked to recommend fees and charges covering the services for which they are responsible.

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- 2.2 The fees and charges presented in this report are discretionary charges only. For discretionary charges there is scope to generate additional income, to reduce any subsidy of the service or to contribute to an improved budget position.
- 2.3 There are a number of charges set externally that the Council has no power to alter. This restricts the Council's ability to raise additional income and therefore the fees and charges set by statute are not presented to this Committee for approval.
- 2.4 The budget guidelines agreed by Strategy and Resources included an overall increase in revenue from discretionary fees and charges of 3%. The guidelines also anticipate that additional income may be generated to contribute to the required savings target.
- 2.5 When preparing estimates, fees and charges have been reviewed by service managers and any negative impact on demand anticipated by increased charges has been considered.
- 2.6 Members should refer to the estimates report on this agenda for an overview of the Committee's budget position.
- 2.7 In January 2013 the Committee agreed that the Director of Finance and Resources (now Chief Finance Officer) should have delegated authority to vary fees and charges for items generating income under £1,000 per annum. The Committee also agreed that this officer be permitted to set charges for one off services or items not included in the fees and charges schedule under delegated authority. In order to reflect the current management structure, the Committee is asked to reconfirm this delegation to the Chief Finance Officer.

3 Proposals

- 3.1 The proposed fees and charges for 2018/19 are set out at **Annexe 1** to this report. The main variations in fees and charges for each service area outside the range of an increase between 3% and 5% are set out below:

3.1.1 Venues

Playhouse

No increases to membership fees are proposed, pending the introduction of a revised membership scheme.

Introduction of fees for miscellaneous equipment are proposed on a price on application basis. It is proposed that full marketing package prices are changed from fixed price to price on application.

Bourne Hall

Increases to charges at Bourne Hall have been kept at below 3% where officers feel that a higher increase could result in a loss of hirers.

Ewell Court House

The fees and charges have been restructured to attract and maintain hirers, including business users. Bar and kitchen hire is now available on an hourly basis.

3.1.2 Social Centre

Fees have generally been increased between 3%-5%, although there are some variations due to rounding of charges. Increases above 5% are proposed to reflect increased costs or where officers felt that higher charges could be introduced without creating a reduction in demand.

3.1.3 Parks

Charges for permission to use small gazebos/tents in parks have been maintained at current levels. The purpose of these is to keep a record of numbers and current charges cover administration costs.

3.1.4 Sports Pitches

Fees and charges have generally been increased between 3% - 5%, although there are some small variations due to roundings.

3.1.5 Local Nature Reserve

Fees for annual guided walks have been substantially increased in recent years; officers feel that further rises could discourage participation.

3.1.6 Community Services

Community Alarm

No increase is proposed to Community Alarm monthly standard charges as current charges represent market rates and officers consider that an increase in price per unit could potentially have an adverse effect on customer volume.

Wellness Centre Activities

It is proposed that a nominal charge be introduced for participation in sessions at the Wellbeing Centre to cover costs. These are currently funded by Personalisation and Prevention Partnership funding which ceased from March 2017.

Shopping Service

To remain competitive with the current market no increase to charges are proposed.

Routecall

Fares and membership fees have been increased by approximately 3%. Excursion charges will be set to cover the cost of trips plus overheads.

Shopmobility

It is proposed that the charge for non-members is increased by 10%, the first increase in the charge for three years.

- 3.2 Charges for advance bookings for subsequent years are not generally included in the annual schedules. It is proposed that these be charged at the current year cost plus approximately 3% per annum, representing the inflationary increases incorporated in the Medium Term Financial Strategy.

4 Financial and Manpower Implications

- 4.1 The impact of the proposed fees and charges for services in 2018/19 is set out below.

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	Increase in Income Budget Target (3%) £'000	Total Increase or (Decrease) due to changes to Tariffs £'000	Variations resulting from changes to volumes £'000	Variation between Target and total change £'000
Social Centre Service	3	7	2	6
Community Services	12	(8)	40	20
Bourne Hall	8	8	(5)	(5)
Ebbisham Centre	4	4	0	0
Ewell Court House	3	3	(25)	(25)
Playhouse	10	9	6	5
Allotments	1	1	0	0
Parks & Open Spaces	5	5	(1)	(1)
Total	46	29	17	0

- 4.2 The charges proposed will generate an additional estimated income of £29,000. This has been taken into account in the budget to be presented to the Council next month.
- 4.3 Overall, the effect of increased charges and changes to volumes is that Community & Wellbeing Committee has achieved the targeted budgeted income from fees and charges for 2018/19.
- 4.4 Included in variations to volumes is income from new services catering for Adult Social Care Higher Needs clients at the Longmead Community and Wellbeing Centre. For 2018/19 the fee income anticipated from this is £42,000, funded by private clients and Surrey County Council referrals. This income will offset the costs of operating the Community & Wellbeing Service at the Longmead Centre which was previously funded from SCC Protection, Prevention and Partnership grant funding.
- 4.5 At Bourne Hall fees have generally been uplifted by 3% but there has been a reduction in the volume of income anticipated from the Café during its start-up period. Income from entry to Echoes Day event has been removed from the budget as this is now a free entry event.
- 4.6 Ebbisham income budgets have been left at target pending disposal of the building. Fees at Ewell Court House have been increased by circa 3% but the overall income budget has reduced by £25,000 due to reduced volumes of lettings.

4.7 The revised level of income has been included in the medium term financial strategy to help towards a balanced budget over the next four years. A detailed breakdown of the 2018/19 budget can be found in the budget report included on this agenda.

4.8 **Chief Finance Officer's comments:** All financial implications are included within this report.

5 Legal Implications (including implications for matters relating to equality)

5.1 There are no specific issues arising from this report but the Council's resources will need to be applied to ensure that it fulfils its statutory obligations and delivers its policy on equalities.

5.2 **Monitoring Officer's comments:** There are no legal issues arising from this report.

6 Sustainability Policy and Community Safety Implications

6.1 None for the purposes of this report.

7 Partnerships

7.1 None for the purposes of this report.

8 Risk Assessment

8.1 Income from services remains at risk due to the state of the economy. Charges have been set taking into account market conditions.

8.2 The continued delivery of Council services is dependent upon income generation, creating a risk to service delivery if charges are not set at levels that make a significant contribution to the Council's finances.

9 Conclusion and Recommendations

9.1 This report proposes new fees and charges for services with effect from 1 April 2018.

9.2 The impact of changes in fees and charges has been estimated and incorporated in the Committee's budget estimates 2018/19. If lower charges are agreed the Committee will be required to identify cost savings to enable the Council to meet its overall budget target.

WARD(S) AFFECTED: (All Wards);