



**Report to: Income Generation Sub-Committee, 16<sup>th</sup> January 2018**

**Report of: Head of Finance**

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**Subject: FEES AND CHARGES 2018/19**

**1. Recommendation**

**1.1 That the Committee review the proposed schedule of Fees and Charges for 2018/19 and recommend its approval to the Policy and Resources Committee on 6<sup>th</sup> February 2018 for ultimate approval by Full Council on 20<sup>th</sup> February 2018.**

**2. Background**

- 2.1 The council issues an annual schedule of the Fees and Charges levied by each of its services.
- 2.2 The existing charges have been reviewed by the relevant service and adjusted to reflect changes in the cost of providing the service. A comparison has also been made to the amount charged by local competitors to ensure the council is providing a service which is competitively priced and represents good value.

**3. Preferred Option**

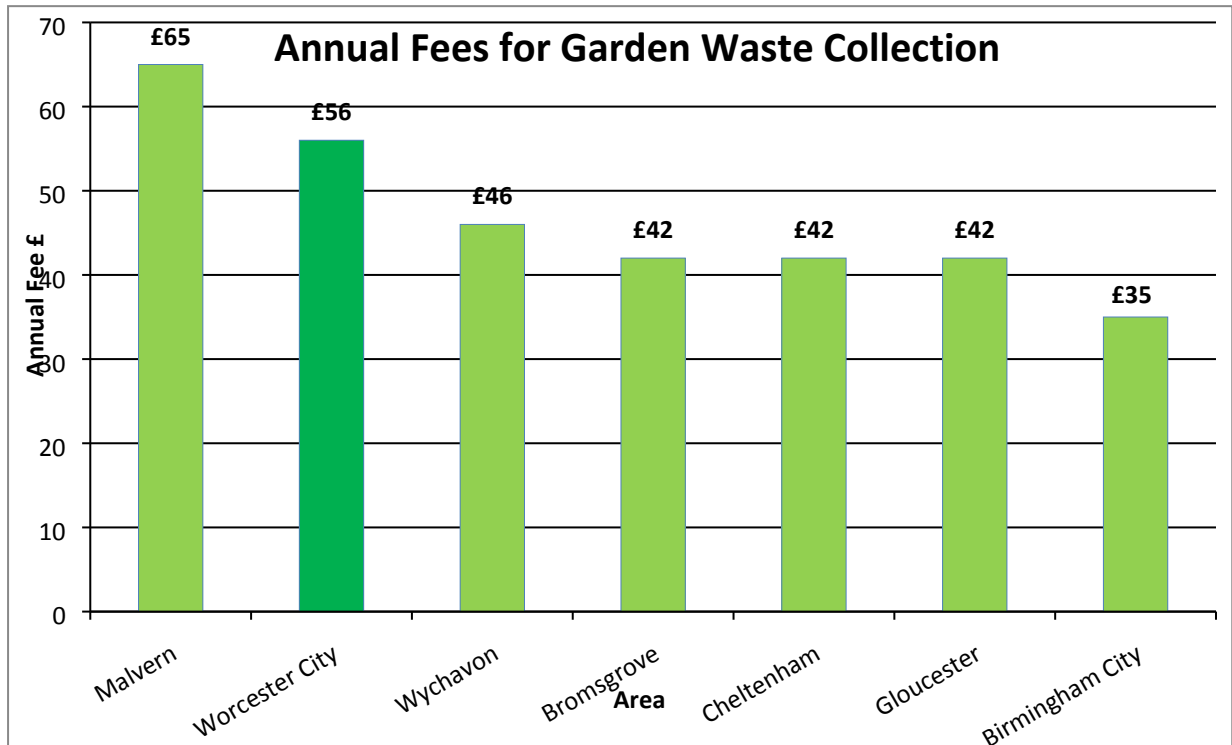
- 3.1 The proposed schedule of Fees and Charges is set out in **Appendix 1**, which shows the existing and proposed charge with the consequent increase / decrease as a value and as a percentage. Owing to commercial sensitivity the proposed Fees and Charges for Trade Waste and Building Control are classed as exempt items and are shown at **Appendix 2**.
- 3.2 The proposed charges for Trade Waste for 2018/19 have not yet been finalised. A new recycling service is to be introduced for trade waste during 2018/19. This will lead to a new pricing structure offering separate bins for residual and recyclable material. This will be presented to committee as part of the overall proposal for the change in the service.
- 3.3 The review of the Fees and Charges has been carried out with an assumption that inflation remains at 2.0-3.0%. The publication of the latest CPI on 12<sup>th</sup> December showed an increase to 3.1%.
- 3.4 The basis of the review is for the full cost recovery of the service and a market analysis of prices charged by other providers. Any change will be to the next most appropriate price point rather than by a specific %.
- 3.5 The following Fees and Charges are proposed to increase by an average of 2% and in some specific cases, individual fees by a greater amount, as follows:

- Bulky waste
- Football pitch hire
- Guildhall room hire/weddings
- Bereavement Charges
- Gambling licences
- Animal licence renewal
- HMO mandatory renewal licences
- HMO additional licence
- City Life lettings

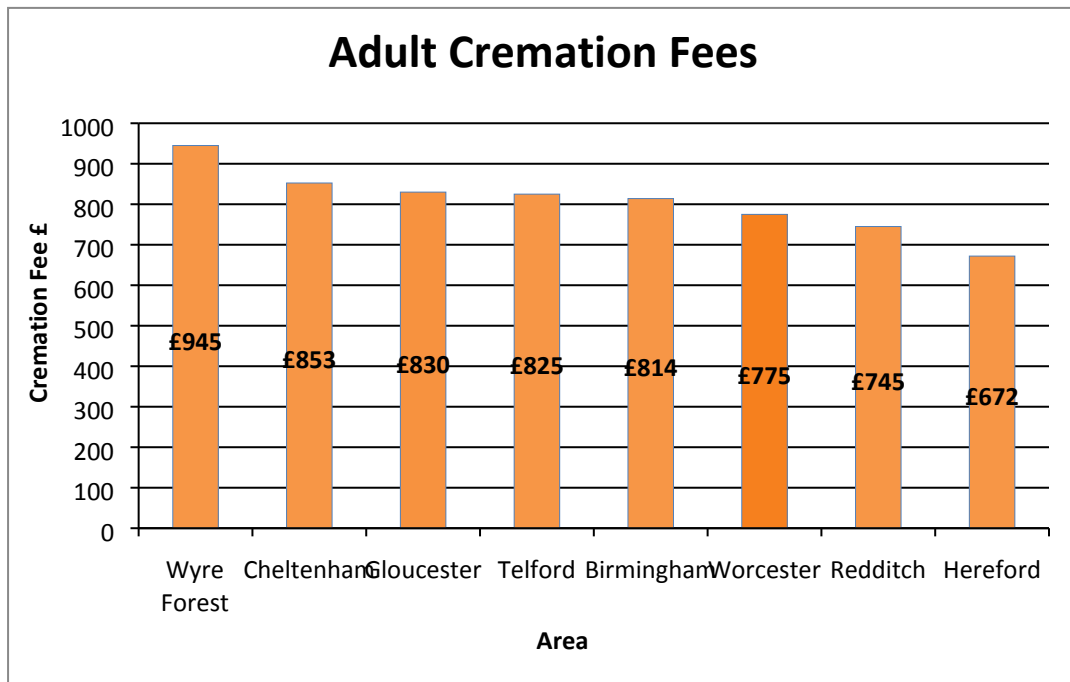
3.6 The following Fees and Charges have been maintained at the same level as 2017/18:

- Archaeology charges
- Museum and Art Gallery
- Commandery
- Street Trading
- Premises licences
- Gaming and entertainment licences

- 3.7 Fees for planning applications are set nationally and are expected to rise by 20% in the near future. The locally set fees for pre-applications have not therefore been increased.
- 3.8 The fees charged for the use of the Whippet Track at Perdiswell are to increase from £18 to £25, which is 39%. This follows improvement work done to the site.
- 3.9 The fees charged for the sale and delivery of wood have been reduced by between 8% and 25% in line with market conditions.
- 3.10 The Fixed Penalty Notice for litter being dropped is currently £75. The Government has announced that the maximum fine permitted is to be increased from £75 to £150. Once this is in place, consideration will be given to proposing an increase for approval by Council.
- 3.11 The fees and charges proposed for Vehicle and Operator Licences show no increase at present. There will be a process of consultation for an increase with licence holders and consideration of any objections by the Licencing Committee. Any changes subsequently proposed will need approval by Full Council.
- 3.12 Building Control charges were last increased in 2013 and since then the CPI has increased by 5.4%. The proposal is for an increase of 5% which will still be competitive compared to the average Local Authorities Building Control member.
- 3.13 Garden waste charges are increased by 2.7%. Following the successful growth in the service during 2017/18 this will continue to be a focus for marketing activity in 2018/19. The current comparison to other local councils is shown below:



3.14 Bereavement service charges are to be increased by an average 2%. The current comparison of cremation charges to other local crematoria is as follows:



The schedule now includes a new section for the charges for Muslim burials.

3.15 Car parking charges are to remain unchanged.

3.15.1 The current comparison to other local towns and cities is as follows:

Area	Up to 3 hours	Up to 24 hours

	Lowest	Highest	Lowest	Highest
Birmingham	2.20	4.20	4.00	12.00
Cheltenham	1.20	4.30	6.00	14.00
Gloucester	2.00	3.00	3.00	6.00
Hereford City	3.00	4.00	3.00	13.00
Kidderminster	2.70	2.70	8.80	10.00
Worcester City	1.80	3.60	3.50	10.00

Source: Individual Council Websites

3.15.2 The comparison to the non-council car parks in Worcester city centre is as follows:

Area	Up to 3 hours		Up to 24 hours	
	Lowest	Highest	Lowest	Highest
Cathedral Square	3.50	3.50	12.50	12.50
Crowngate	3.20	3.20	9.00	9.00
Worcester City	1.80	3.60	3.50	10.00

3.16 Trade Waste charges are being revised to include a new recycling option. This should result in an overall reduced cost for those organisations which choose to include recycling.

#### **4. Alternative Options Considered**

4.1 The alternative option is to not the change the existing schedule of Fees and Charges, however this would result in potentially not achieving full cost recovery in some services and for the service to cease to be competitive in the market.

#### **5. Implications**

##### 5.1 Financial and Budgetary Implications

The financial impact of the changes proposed is consistent with the assumptions in the draft budget for 2018/19.

##### 5.2 Legal and Governance Implications

None

##### 5.3 Risk Implications

The risk of losing income from increased fees and charges has been mitigated by a review of market conditions to ensure the proposed change is appropriate.

##### 5.4 Corporate/Policy Implications

None

5.5 Equality Implications  
None

5.6 Human Resources Implications  
None

5.7 Health and Safety Implications  
None

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**Background Papers:** None