

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 24 February 2015	<b>Decision Taker:</b> Cabinet Member for Environment, Recycling, Community Safety and Volunteering
<b>Report title:</b>		Community Safety & Enforcement Services - Fees and Charges 2015/16	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director of Environment & Leisure	

### RECOMMENDATIONS

1. That the Cabinet Member agrees the proposed non-statutory fees and charges for 2015/16, with an implementation date of 1 April 2015.
2. That the Cabinet Member notes information on statutory fees and charges only.

### BACKGROUND INFORMATION

3. This report sets out proposals for the fees and charges to be set for Community Safety & Enforcement Division for 2015/16.
4. The Medium Term Resources Strategy (MTRS) 2014/15 – 2016/17 and the corporate income policy require that:
5. Fees and Charge are increased to a level, at a minimum, that is equal to the most appropriate London average (e.g. inner London, family, groupings etc) except where this conflicts with council policy, would lead to adverse revenue implications or would impact adversely on vulnerable clients
  - Income generation is maximised by seeking income streams in line with council policies and priorities.
  - All fees and charges capped by statute are increased to the maximum level the cap allows.
6. Only where it can be demonstrated that adverse financial implications might arise or where increases are not considered realistic due to demand and local circumstances, can fees or charges increases be set at a lower level than that set by the MTRS.
7. The council's constitution requires that all fees and charges increases are agreed by the relevant Cabinet Member through an Individual Decision Maker (IDM) report. An IDM report is also required where no increase or a reduction in fees and charges is proposed

## KEY ISSUES FOR CONSIDERATION

8. Fees and charges are those charges where there is a schedule of rates for services provided. There are various types, namely mandatory and discretionary i.e. where the Authority must charge or where there is a choice of charging or not. Whether mandatory or discretionary, the charges will be either:
  - Fixed – where the level of charges is set by statute and the Authority has no discretion.
  - Capped - where a maximum level is set, generally by statute and so charges cannot be set above this level, or
  - Flexible – where there is full discretion on the level of charges to be set
9. Where the Authority has a choice about charging, any decision not to charge must be agreed by the relevant Cabinet Member. This will be reviewed annually and will be considered within the context of the overall budget position.
10. This report only seeks approval for fees and charges for which there is discretion or where fees are capped, although, all fees and charges are included in the Appendices for information.
11. In arriving at the proposed fees and charge levels, consideration has been given to a number of factors, including; volume assumptions, benchmarking data, market forces and sensitivity i.e. the impact that increases will have on its customers' ability to pay and the take-up of services. Another factor taken into account is that, whilst Southwark may have discretion over the level of fees set, in many cases, this is on a cost recovery basis or must have due regard to the cost of service and be reasonable. The cost of service provision has therefore, also been a consideration in arriving at the proposed fees.
12. Table 1 (see paragraph 22) details the total income expected to be generated from non-statutory fees and charges. A full list of non-statutory fees and charges to be approved are shown in Appendix 1. A further list showing statutory fees and charges is also provided in Appendix 2 for information.

### Division / Business Unit

#### Licensing

13. Most of the fees in this category are levied under statute, and are listed in Appendix 2. The only significant areas where there is a discretion for the Council to increase fees are those licenses provided under the Gambling Act 2005 and the London Local Authorities Act 1991 (LLLA). The indicated cap or limit set on the proposed fees follows the case law that local Authorities may not charge a fee that recovers more than the cost of administering this process.
14. The schedule of fees and charges now incorporates fees and charges payable under the Explosives Regulations 2014, which came into effect in October 2014. These fixed fees and charges replace the previous fee paying regime dealing with explosives and fireworks storage that existed under earlier regulations.
15. The Scrap Metal Dealers Act 2013 came into effect on 1 October 2013. The schedule of fees and charges associated with this was previously agreed under the IDM process on 27 September 2013. The Act replaces the earlier Scrap

Metal Dealers Act 1964 and Part 1 of the Vehicles Crime Act 2001 which are both removed from the schedule of fees and charges. The Act provides a new licensing regime for scrap metal dealers and motor salvage operators, providing for licensing of both scrap metal dealers sites and mobile collectors. The schedule of fees and charges was established having had regard to guidance published by the Home Office and Local Government Association. As this Act has only recently come into force, it is proposed that these fees be held at 2014/15 levels and reviewed in 2016/17.

16. It is the intention to increase license fees and charges for Adult Gaming Centres, Betting Premises to the permitted maximum level from 2016/17.

#### Community Wardens – London Training and Resource Centre (LTRC)

17. Since the cessation of the Capital Ambition grant funding, LTRC has continued to deliver training activities on a commercial basis, where necessary make use of its reserves. LTRC are currently the only public sector provider of wardens' core skills training in London and the South East, so there is no readily available benchmarking information. The prices and the basis of charging have been arrived at with regard to the economic climate, and similar courses available in the open market.
18. The LTRC has not increased its charges since 2005. The proposed increases are to allow for recovery of the increasing costs of products which support training delivery. The proposed fees & charges are still competitive in the current training market. This is a non statutory service and the fees are discretionary.

#### CCTV

19. The CCTV service receives frequent requests from various sources regarding access and downloading of CCTV footage. This can be a timely exercise, requiring the CCTV operators to go through the footage, which can involve numerous cameras and a wide time frame. A scoping exercise was undertaken and the proposed charges are in line with other London boroughs. Charges are only to be imposed on solicitors and insurance companies, with partner agencies and FOI requests remaining free of charge. Appendix 1 shows a full list of the proposed charges for such a service which is non statutory.

#### Fixed Penalty Notices

20. Penalty notices are given for a variety of enforcement action such as littering, graffiti, dog fouling and fly posting. Penalty Notices are capped to a maximum amount with a discount for early payment. It is the intention to increase the charges to the capped limit of £80 with a £60 discount for early payment.

#### **Community impact statement**

21. Officers have been mindful of the need to satisfy the Public Sector Equality Duty imposed by the Equality Act 2010. This requires the council to have due regard to take steps to meet the needs of those persons having a protected characteristic under the Act, and to ensure that such persons are able to access services.

22. One of the key considerations in arriving at the proposed fees and charge levels for the division is price sensitivity i.e. the impact that increases will have on its customers' ability to pay and the take-up of services. This is supported by comparing prices with neighbouring authorities, where possible. However, this flexibility is limited to only where Southwark has discretion over the level of fees set. The adoption of the proposed fees and charges does not discriminate against any group in the community, either directly or indirectly.

### **Resource implications**

23. The anticipated income levels for 2015/16 arising from the proposed discretionary fees is £77,000 for the LTRC. The cctv service does not as yet have anticipated levels of demand for its services, however, this is not expected to be very significant. Any benefits or repercussions on demand for services arising from the proposed fees and charges will be reflected in revenue monitoring reports and future budget proposals. Any variances will be contained within existing budget for 2015/16 financial year.

### **Staffing implications**

24. The London Training and resource centre operated without grant funding in 2014/15. Expenses will be met from income generated and trading account reserves accumulated in prior years. It is proposed that it will continue to operate in this manner.

### **Consultation**

25. Consultation is not required on the above fees and charges. However, formal notification of price increase is. Once approved, notification of fee increases will be published through the appropriate channels.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Legal Services**

26. The Cabinet Member for Environment, Recycling, Community Safety and Volunteering (Community Safety and Volunteering) is requested to approve the 2015/16 non-statutory fees and charges. The recommendations will take effect on 1 April 2015 if approved.
27. The approval of the fees and charges sought in this report is a matter reserved to the Cabinet Member for individual decision making in accordance with Part 3D paragraph 3 of the council's constitution.
28. The proposed increases are intended to be consistent with corporate policy, in particular the Medium Term Resources Strategy and will apply to the existing non-statutory fees and charges.
29. Section 93(1) of The Local Government Act 2003 enables the council to charge for providing discretionary services. In addition, section 1 of the Localism Act 2011 allows a local authority to do anything that individuals generally may do, including for a commercial purpose or otherwise for a charge, or without charge. The power conferred by those Acts is subject to the requirement that the council is not prevented from charging for the services by virtue of any other legislation. The Director of Legal Services is not aware of any specific legislative provision which would prevent the council from relying on these powers to charge.

30. The power to charge for a service under the Acts is also subject to the duty to make sure that, taking one financial year with another, the income from charges made from a service does not exceed the cost of the provision of the service.
31. The council is, therefore allowed to set the level of the charge for each discretionary service that it thinks fit and considers reasonable, subject to those charges not exceeding the costs of the provision.
32. The report confirms that there are no prescribed legal requirements for consultation on the proposed fees and charges although any proposed increases will need to be publicised and notified. Officers should ensure that all forms of notification explain how and to whom any complaints or queries should be made.
33. In making this decision, the Cabinet Member must consider the Public Sector Equality Duty imposed by the Equality Act 2010, which includes a requirement to have “due regard” to how the decision might affect different groups of people within the community. Whilst formal consultation is not required, paragraphs 12 –16 set out the factors which have been taken into account in order to satisfy that statutory duty and recommend the level of fees and charges.

**Strategic Director of Finance and Corporate Services E&L/14/010**

34. This report recommends that the Cabinet Member for Environment, Recycling, Community Safety and Volunteering (Community Safety and Volunteering) agrees the proposed non-statutory fees and charges for 2015/16, with an implementation date of 1 April 2015. The report also notes information on statutory fees and charges.
35. The strategic director of finance and corporate services notes the resource implications contained within the report.
36. Savings that have been factored into future budgets and alternative savings would need to be identified should the recommendations not be accepted. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

**BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
Environment & Leisure budget working papers	Community Safety & Enforcement, Environment & Leisure, 3 <sup>rd</sup> Floor, 160 Tooley Street, SE1	Daniel Brew-Riverson, Divisional Accountant 0207 525 2389

**APPENDICES**

No.	Title
Appendix 1	Proposed Fees & Charges 2015/16– Non Statutory Fees Income
Appendix 2	Fees & Charges 2015/16 – Statutory Fee Income

## AUDIT TRAIL

<b>Lead Officer</b>	Deborah Collins, Strategic Director, Environment & Leisure	
<b>Report Author</b>	Jonathon Toy, Head of Community Safety	
<b>Version</b>	Final	
<b>Dated</b>	January 2015	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		24 February 2015