

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE and PROPERTY ADVISORY BOARD

05 January 2010

Joint Report of the Central Services Director and Director of Finance

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 REVIEW OF FEES AND CHARGES 2010/11

This report brings forward for consideration as part of the budget setting process for 2010/11 proposals in respect of those fees and charges that are the responsibility of the Cabinet Member for Finance, and also those fees and charges where there is no appropriate Advisory Board.

1.1 Introduction

1.1.1 The purpose of this report is to set out for 2010/11 the proposals for those fees and charges which fall within the remit of this Board and also those fees and charges where there is no appropriate Committee or Advisory Board.

1.1.2 The budgetary guidance issued to Chief Officers for the 2010/11 budget cycle, and approved by this Board and endorsed by Cabinet, reiterated the objective to maximise income subject to market conditions, opportunities and comparable charges elsewhere. In bringing forward proposals officers have paid due regard to the guiding principles for the setting of fees and charges, and the sorts of questions that need to be considered when formulating proposals approved by this Board in September and endorsed by Cabinet.

1.1.3 The proposals regarding fees and charges outlined in this report are incorporated within the Revenue Estimates to be found elsewhere on this agenda. Any changes required following this meeting will be incorporated before the Estimates are presented to Cabinet on 2 February 2010. The proposals are set out on a Service by Service basis with the recommendations at the end of each section.

ADMINISTRATIVE SERVICES

1.2 Photocopying Charges

1.2.1 A photocopying service is offered for members of the public calling at the council's main offices or requiring copies of Council documents sent by post. The current charges are :-

- 1.2.2 10p for each page of the same document or additional copies of the same page plus postage as appropriate.
- 1.2.3 These charges are intended to cover the costs of the photocopy meter charge (including toner), paper, and an allowance towards the staff time in looking out documents and postage where appropriate.
- 1.2.4 The level of charge was reduced in 2007/08 after remaining static for a number of years to comply with Freedom of Information requirements. The marginal cost per copy (including paper) is now approximately 1p per copy. The income to the Authority for 2009/10 is £65 to date (November). Comparative charges in neighbouring authorities have been somewhat difficult to ascertain and appear to vary considerably. It is, however, considered appropriate to retain a charge in cases where copies of documents cannot be provided by email or fax but it is suggested that the current charge be maintained.

It is **RECOMMENDED** that Cabinet be recommended to retain the current photocopying charges of £0.10 (inclusive of VAT) for each page of the same document or additional copies of the same page plus postage as appropriate.

1.3 Charges for Agendas and Reports

- 1.3.1 Agendas and reports are made available free of charge to the public where single copies are requested. Some private individuals and commercial organisations request posted copies of particular agendas and reports on an annual basis and for these a charge (to cover production costs and postage) is made. The current charge for one municipal year's supply is £45 (inclusive of VAT) for Area Planning Committees and £32 (inclusive of VAT) for all other meetings. **[Annex 1]** shows comparative charges for neighbouring authorities.
- 1.3.2 Demand for pre-purchased supplies of agendas remains relatively low and relates mainly to Area Planning Committees although a limited number of copies of other agendas are also supplied. The income to this Authority for such sales in 2009/10 is estimated at £244 and can be anticipated to decrease further as more people access agendas via the Council's website. The cost of production and postage of an average agenda remains similar to last year. Members may therefore consider it appropriate to retain the charge at the current level.
- 1.3.3 It is, therefore, **RECOMMENDED** that Cabinet be recommended to maintain the annual charges for agendas and reports supplied via the post to £45 (inclusive of VAT) for Area Planning Committees and £32 (inclusive of VAT) for all other meetings.

1.4 Concessionary Fares Scheme 2010/11 – Discretionary Travel Concessions

Companion Passes

- 1.4.1 Members will be aware that a nationwide free bus travel scheme was introduced in April 2008. Individual travel concession authorities (TCAs) continue to have the discretion to offer as an alternative to the standard bus pass an off-peak companion pass which allows severely disabled people to travel with a companion free of charge.
- 1.4.2 Whilst all Kent authorities now offer companion passes and Kent County Council decided to meet the cost of companion journeys in Kent starting outside the pass holder's home district, efforts to standardise the charging policy were not successful. There remains a considerable variation in charges for companion passes in the County from no charge among our immediate neighbours to annual charges of £10 in Tonbridge and Malling and from £12.50 to £70 in five other Kent councils [**Annex 2**]. Around 59 companion passes have been issued to date in this borough in 2009/10.

Replacement Charge

- 1.4.3 The Council's current charge for replacement of lost passes is £10 other than if a person's purse/wallet is stolen and they provide a crime number when no charge is made.
- 1.4.4 During the past year the number of replacements necessary for which a charge has been made was around 75. Details of charges made by the Kent TCAs are given at [**Annex 2**].

Rail Concessions

- 1.4.5 As a further alternative to the statutory free bus pass, the Council offers a £10 voucher towards the purchase of the £26 Senior Railcard or the £25 Network Card or a reimbursement of £10 towards the £18 Disabled Persons Railcard. The rail concession continues to be popular, with around 1,000 issued annually. ATOC (the Association of Train Operating Companies) has been consulted on any proposed changes in price in 2010/11 but indicates that none are planned at this stage.
- 1.4.6 In the past the Council has made representations to the Government to extend the statutory minimum concession to rail travel and provide compensatory funding to local authorities. This has not happened so Members may consider it appropriate in the present financial climate to maintain the concession at the current level. For comparison purposes details of discretionary travel concessions currently offered by neighbouring authorities are set out in [**Annex 2**].
- 1.4.7 It is **RECOMMENDED** that Cabinet be recommended that:

- 1) the price to be charged for the Companion pass be retained at £10 in 2010/11;
- 2) the charge for replacement of lost passes be retained at £10; and
- 3) a £10 contribution towards the Senior Railcard, the Network Card or the Disabled Persons Railcard be continued as an alternative to the free bus travel pass.

LEGAL SERVICES

1.5 Legal Fees Payable by Third Parties

- 1.5.1 From time to time it happens that the Council's legal fees can be recovered from third parties, for example costs in connection with section 106 agreements. Our level of fees follows the rates published by the Department of Constitutional Affairs which are reviewed regularly and are currently as follows:

Solicitors with over 8 years post qualification experience including at least 8 years relevant experience	£203
Solicitors and legal executives with over 4 years post qualification experience including at least 4 years relevant experience	£180
Other solicitors and legal executives and fee earners of equivalent experience	£151
Trainee solicitors, paralegals and fee earners of equivalent experience	£110

- 1.5.2 It is **RECOMMENDED** that the Council's charges continue to follow the rates published by the Secretary of State.

1.6 Administrative Charges for Postal Addresses (Street Naming and Numbering)

- 1.6.1 We are continuing to find considerable resistance to the level of our fees for this service, the more so as our fees are currently about three times the local average. This has led to a reduction in the number of requests and, in consequence, our fee income.
- 1.6.2 For naming a new street and numbering properties on it, we are recommending that the fees be increased on the same basis as before, namely by 3%, rounded up to the nearest whole £1 for fees under £100 and £5 for fees over £100, with a higher increase for dealing with new streets with more than 65 new dwellings on them. This reflects the actual cost of dealing with such applications.

- 1.6.3 In previous years we have made a charge for weekly information bulletins on new address information. This information is now distributed via the National Land and Property Gazetteer and so this service is discontinued.

	Existing	Proposed
For new developments, to name new street/s and allocate numbers and addresses to new properties:		
Up to 30 new properties	304.00	310.00
31 - 65 properties	454.00	460.00
Over 65 properties	608.00	615.00
To name/number new properties on existing streets:		
New commercial developments for sale or rent	155.00	160.00
Rename/number existing residential property	42.00	45.00
Rename/number existing commercial property	114.00	120.00
To issue a duplicate statutory certificate of (re-) naming and/or numbering	73.00	76.00

- 1.6.4 It is **RECOMMENDED** that Cabinet be recommended to adopt the table of proposed charges set out above with effect from 1 April 2010.

1.7 Licensing and Registration Fees

- 1.7.1 In preparing this review of fees, we have continued the objective of previous years of seeking to recover the greater proportion of the cost of the licensing function.
- 1.7.2 It is **RECOMMENDED** that Cabinet be recommended to adopt the table of proposed fees, as set out in **Annex 3**, with effect from 1 April 2010.

1.8 Local Land Charges Search Fees

Introduction

- 1.8.1 Further to the joint report of the Central Services Director and Director of Finance on 1 April 2009, this paper reaffirms our position in respect of land charges fees and introduces a statutory increase in the personal search fee.

Proposed Charges

- 1.8.2 The Statutory Instrument No. 3248, Local Authorities (England) (Charges for Property Searches) Regulations 2008 was published in December 2008 and enables local authorities to charge for their property search services – charging for access to property records or responding to official search requests. Supporting guidance was published on 22 January 2009.
- 1.8.3 For personal searches of the Land Charges Register, the fees are still fixed by Regulation. In the light of responses received to the recent consultation paper 'Local Authority Property Search Services' the Government has concluded that the fee for a personal search of the local land charges register should be increased

from £11, the level which was set in 2003, to £22. This increase hopes to balance the interests of Local Authorities, the private sector and consumers. The new fee will come into force on 1 January 2010.

- 1.8.4 The charging regulations still do not address the imbalance and the cost of personal searches continues to be funded from the Council's other income. For 2010/11 this cost is estimated to be approximately £35,000 based on current activity levels. However, the Ministry of Justice will review the effectiveness of the change in fee in 3 to 5 year's time from implementation or sooner if adequate evidence is provided to show the fee needs to be changed.
- 1.8.5 Members should be aware that the income levels shown in the table below reflect what we would describe as "normal" activity. Clearly, the recession is still impacting significantly on activity and the likelihood of this level of income actually being achieved in 2009/10 is minimal.
- 1.8.6 Members will recall that a corporate "economic downturn" adjustment was factored into the Budget for 2009/10 and will also be included in the 2010/11 budget to allow for the impact of the recession. The Director of Finance will be monitoring this throughout the year and will, of course, keep members informed.
- 1.8.7 The reason for mentioning this here is to demonstrate to Members that this is a volatile area of activity where income can fall, or alternatively increase, quickly. Whilst the 2009/10 and 2010/11 estimates suggest there will be a surplus in this activity, in reality, the likelihood is that there will be a deficit – unless we move out of recession very quickly. This is an "aside" within the context of this report, but we felt it important to give Members the wider picture.
- 1.8.8 The table below shows the projected costs of providing the land charges service, together with potential income. For comparative purposes, the Revised Budget for 2009/10 is also shown.

	2009/10 Revised Estimate £	2010/11 Original Estimate £
Employees - salaries	133,300	132,750
Supplies and Services:		
NLIS Transmission fee	41,600	41,600
Kent Highways	27,600	27,600
Ordnance Survey Licence fee	2,800	2,800
Insurance	6,600	6,500
Central, Departmental and Technical Support Services:		
Central Salaries and Administration	32,500	32,600
Information Technology Expenses	36,800	40,350
Departmental Administrative Expenses	63,600	63,550
Share of: Democratic Administration	32,500	33,800
Corporate Management	14,400	15,050
Non-Distributed Costs	41,050	38,850
Sub-total	432,750	435,450
Less income: Fees and charges see note below	(481,950)	(481,950)
Deficit (surplus) for trading purposes	(49,200)	(46,500)

Note: The projected gross income for 2009/10 and 2010/11 is expected to be in the region of £300,000.

- 1.8.9 In bringing this report forward market considerations have been taken into account where permissible within the appropriate legislation and we will of course operate a competitive charging policy where we are able to do so.
- 1.8.10 For Members' information, the current standard residential and commercial fees levied by the other Kent Authorities are set out at **[Annex 4]**.
- 1.8.11 On this basis, the following table shows the proposed fees for local land charges searches and enquiries proposed to be effective from 1 January 2010.

	Current Charge £	Proposed Charge £
LLC1 (the Official Certificate of Search and the search of the Land Charges Register).	35	35
Personal search of the Land Charges Register (statutory fee)	11	22

	Current Charge £	Proposed Charge £
Con29 R (the enquiries of Local Authority's form, comprising of a list of questions including matters relating to highways, building control, environmental health and housing).	135	135
Combined LLC1 & Con29R (full search on domestic property)	148	148
Commercial Search	299	299
Standard optional enquiry	15	15
Non-standard optional enquiry	18	18
Unrefined Con29 data for questions 3.1, 3.7,3.8,3.9,3.10,3.11 and 3.12. [This is a flat fee for all 7 questions]	5.50	5.50
Providing refined Con29 data for questions 3.1, 3.7,3.8,3.9,3.10,3.11 and 3.12 only.	49 or 8 per each question	49 or 8 per each question
Expedition charge	49	49

1.8.12 It is **RECOMMENDED** that the legislative changes to the personal search fee be accepted and the proposed scale of fees for local land charges searches and enquiries set out in this report be adopted with effect from the 1 January 2010.

1.9 Legal Implications

1.9.1 As set out above.

1.10 Financial and Value for Money Considerations

1.10.1 As set out above.

1.11 Risk Assessment

1.11.1 As part of the review of fees and charges Chief Officers will consider the risks associated with any proposals.

Background papers:

Nil

contact: Claire Fox
Ian Henderson

Background papers:

contact: Janet Maxwell
Mark DeSave

Statutory Instrument No. 3248, The Local Authorities
(England) (Charges for Property Searches)
Regulations 2008

Communities and Local Government - Local Authority
Property Search Services – Costing and
Charging Guidance

Statutory Instrument No.2494 (L.27)
Local Land Charges (Amendment) Rules 2009

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