

TONBRIDGE & MALLING BOROUGH COUNCIL
FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

13 January 2016

Report of the Management Team

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 REVIEW OF FEES AND CHARGES 2016/17

This report brings forward for consideration as part of the budget setting process for 2016/17 proposals in respect of those fees and charges that are the responsibility of the Cabinet Member for Finance, Innovation and Property or not reported elsewhere.

1.1 Introduction

1.1.1 The purpose of this report is to set out for 2016/17 the proposals for those fees and charges which fall within the remit of this Board or which have not been reported elsewhere.

1.1.2 The budgetary guidance issued to Chief Officers for the 2016/17 budget cycle, and approved 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 previously approved by this Board 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 11 February 2016. The proposals are set out on a service by service basis with the recommendations at the end of each section.

LEGAL SERVICES

1.2 Legal Fees Payable by Third Parties

1.2.1 From time to time the Council's legal fees can be recovered from third parties, for example costs in connection with section 106 agreements. Our level of fees have historically followed the Supreme Court guideline hourly rates, which are currently as follows:

Solicitors with over 8 years post qualification experience including at least 8 years relevant experience	£217
Solicitors and legal executives with over 4 years post qualification experience including at least 4 years relevant experience	£192
Other solicitors and legal executives and fee earners of equivalent experience	£161
Trainee solicitors, paralegals and fee earners of equivalent experience	£118

1.2.2 It is **RECOMMENDED** that the Council's charges follow the rates set out above.

1.3 LAND CHARGES

1.3.1 The Local Authorities (England) (Charges for Property Searches) Regulations 2008 enable local authorities to charge for their property search services – charging for access to property records or responding to official search requests.

1.3.2 This is a volatile area of activity where income can fall, or alternatively increase, quickly. The prolongation of the recession, together with the revocation of the personal search fee, has of course had an impact upon our activity, although we are currently experiencing an increased upturn in the number of searches.

1.3.3 In bringing this report forward market considerations have been taken into account where permissible within the appropriate legislation and we aim to operate a competitive charging policy where we are able to do so. In reality, save for unrefined data fees (which were introduced in 2009), the current charges have not increased since 2008.

1.3.4 Local authorities have been having an ongoing dialogue with HMRC who have now confirmed that in future property search fees are to be subject to VAT (save for the official certificate of search and the search of the Land Charges Register) (referred to as “the official LLC search fee”). This will take effect on 1 February 2016.

1.3.5 It is not proposed to increase the current search fees at the current time which will result in a reduction in the fee income retained by the Council, but no increase in the charge to the customer. The reason for this proposal is twofold. Firstly, it reflects the challenging market conditions faced by this service and would put our charges more in line with our neighbouring authorities if they chose not to absorb the value of the VAT increase within their existing fees. Secondly, it is very likely that there will be some change required to the level of search fees in July next year when a new form for the Official Enquiries of Local Authority (referred to as “Con 29”) is introduced.

- 1.3.6 It is expected that a number of new questions will be introduced in respect of highways matters which can only be answered by KCC as the highways authority and that they will charge us for the answers they are required to give. At the time of writing this report there is insufficient information as to the content of the new Con29 form or the likely level of charges which will be imposed by KCC to enable a proper analysis of the financial consequences of the new form being introduced.
- 1.3.7 If sufficient information is known prior to the meeting of the Advisory Board in May then a report will be brought to that meeting to consider any changes to the fees. If however information is not known sufficiently in advance of the May meeting then a report will be taken direct to the Cabinet meeting on 22 June 2016 to enable the proposed fees to be approved prior to the new Con 29 being introduced.
- 1.3.8 This approach will see the level of fees only being altered once during the financial year when all of the information is available to properly consider the market effect, the competitiveness of our fees and the charges we will incur ourselves in order to respond to the new Con 29 form.
- 1.3.9 The following table shows the proposed fees for local land charges searches and enquiries proposed to be effective from 1 April 2016.

	Current Charge £ (no VAT)	Proposed Charge £ (inclusive of VAT payable unless otherwise stated)
LLC1 (the Official Certificate of Search and the search of the Land Charges Register).	35	35 (no VAT)
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 (Residential) 293 (Commercial)	135 (Residential) 293 (Commercial)
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
Expedition charge	49	49
Additional parcel fee	10	10
Cancellation fee	31	31

1.3.10 It is **RECOMMENDED** that the proposed scale of fees for local land charges searches and enquiries set out in this report be adopted with effect from 1 April 2016 and that with effect from 1 February 2016 property search fees, in the main, are to be subject to VAT on the basis set out in paragraphs 1.3.4 and 1.3.5 of this report.

ADMINISTRATIVE SERVICES

1.4 Photocopying Charges

1.4.1 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 10p for each page of the same document or additional copies of the same page plus postage as appropriate.

1.4.2 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.

1.4.3 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 still approximately £0.10 per copy. Comparative charges in neighbouring authorities have been somewhat difficult to ascertain and many appear not to charge for photocopying. However, it is considered appropriate to retain a charge to avoid requests for multiple copies of pages and to cover cases where documents cannot be provided by email. It is therefore suggested that the current charge be maintained.

1.4.4 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.

TONBRIDGE CASTLE

1.5 Tonbridge Castle Hire Charges

- 1.5.1 The Council Chamber is used for a number of purposes, including Member and Officer meetings, weddings, private hire and concessionary use by a number of local organisations.
- 1.5.2 Several years ago a minimal charge was introduced for concessionary users. It is recognised that this concessionary charge is greatly valued by these organisations. It is proposed that a concessionary user charge be retained to reflect ongoing support for local organisations.
- 1.5.3 The list of concessionary users was agreed by Cabinet on 12 February 2015 (D150015CAB) and some amendments are proposed as shown in bold [see **Annex 1**]. Concessionary use is subject to a number of restrictions as shown in **[Annex 2]**.
- 1.5.4 The Director of Central Services has brought forward proposed charges for all users of the Chamber, which are set out at **[Annex 3]**. Annual income from the hire of the Chamber is approximately £2000, and it is estimated that the proposed charges will generate additional income of £150.

1.6 Tonbridge Castle Wedding Charges

- 1.6.1 Current wedding charges were agreed by Cabinet on 12 February 2015 (Decision D150015CAB). Members agreed a charge of £770 for weddings in the Chamber and £1150 for weddings in the Gatehouse for 2015/16. Charges of £800 and £1200 respectively were also agreed for 2016/17.
- 1.6.2 The current charges at a number of premises licensed for Civil Marriages are shown in **[Annex 4]**
- 1.6.3 Weddings are often booked more than one year in advance and applications are now being received for 2017/18. It is, therefore, necessary to consider a charge for implementation from 1 April 2017, as Members have already agreed the charges for 2016/17. The Director of Central Services has proposed an increase of around 5% for the following charges in 2017/18, which will generate additional net income of approximately £1800:

	Current Charge 2015/16 (£)	Agreed Charge 2016/17 (£)	Proposed Charge 2017/18 (£)
Weddings			
• Chamber	770	800	840
• Gatehouse	1150	1200	1250
Renewal of Vows/Baby Naming			
• Chamber	560	560	600
• Gatehouse	900	900	900

- 1.6.4 NB: Non-returnable deposit - £100
- 1.6.5 To aid Members, all proposed charges are inclusive of VAT where applicable.

1.6.6 There is a risk that excessive increases in charges could deter our customers and lead to a fall in overall income. Dialogue with customers and comparison with other attractions has been taken into consideration in bringing these charges forward.

1.6.7 It is, therefore, **RECOMMENDED** to Cabinet that:

- 1) the proposed charges for Tonbridge Castle Chamber as set out in Annex 3 be agreed for implementation from 1 April 2016; and
- 2) the proposed charges for Weddings as outlined in paragraph 1.6.3 above be agreed for implementation from 1 April 2017.

STREET NAMING & NUMBERING SERVICES

1.7 Street Naming & Numbering - Introduction

1.7.1 The requirement to provide a Street Naming & Numbering service is derived from the Towns Improvement Clauses Act 1847, the Public Health Acts Amendment Act 1907 and the County of Kent Act 1981. The TMBC Street Naming & Numbering Policy sets out the framework under which the service is delivered in this authority.

1.7.2 The IT GIS Team are responsible for delivery of this service. The actual cost of service delivery has been calculated by recording staff processing time and taking into account software and postage costs.

1.7.3 In line with the previous fee schedule, the following priorities have been accounted for in the latest review:

- There should be no overall reduction of income to the Council through the SNN function;
- The cost of SNN to the Council should, where possible, be recovered through fees and charges (noting that this is not always possible, and not always desirable);
- Ensure there are no 'perverse incentives' to apply for alternative naming schemes to minimise costs;
- Ensure there is clarity in the fee schedule to avoid confusion and the need for officer discretion in charging fees;
- Where workloads are sufficient to justify such, additional new fees should be considered.

1.7.4 The changes introduced in the fee structure last year continue to address the five principles set out above. For the purposes of this year's review we have

concentrated on principles 1 and 2 ensuring that the cost of SNN to the Council is recovered where possible, and reflecting the actual costs incurred in the process.

1.8 Proposed Fee scale for Street Naming and Numbering

1.8.1 A development is considered to be separate if they are received on separate applications and/or they do not share a common road which is also being named for the first time as part of the application. Individual flats are considered as individual plots.

1.8.2 For new properties, the following charges are proposed having regard to the actual costs associated with performing the functions and comparing the fees to other authorities:

Up to three in-fill properties on an existing street	Current Fee 2015/16	Proposed 2016/17
Addressing one new in-fill property	£169	£134
Addressing two to three in-fill properties	£87 per property	£90
Where four or more properties are to be named or numbered, the fee for new developments (below) will be levied.		

Four or more in-fill properties on an existing street, or new properties on a new street		
Fee for naming of a street, other than in relation to new property addressing	£205	£220
Fee for addressing plots, including street naming if Required 1- 4 Units	£205 +£31 per unit	£220 +£35
5 – 10 Units	£205 +£26 per unit	£220 +£30
11 or more units	£410 +£11 per unit	£220 +£28

1.8.3 For existing properties, the following charges are proposed having regard to the actual costs associated with performing the functions and comparing the fees to other authorities:

Renumbering an existing property	£51	£90
Renaming an existing property, not in a current numbering scheme	£51	£95
Registering the addition or change or an alias to a numbered property	£51	£60
Removing an existing alias from a numbered property	No charge	No charge

Rename an existing street	£1,540	£1,600
Rename a block of flats	£1,540	£1,600
Fee for addressing units (flats) when splitting an existing property	£87 per unit	£90 per unit
Fee for addressing a single property when merging separate units	£169	£190

1.8.4 The increase in income reflected in the Estimates for 2016/17 is £5,000.

1.8.5 It is **RECOMMENDED** that the above fee Schedule for Street Naming and Numbering be adopted from 1 April 2016.

1.9 Council Tax and Business Rate Court Costs

1.9.1 The Council is obliged by law to collect all unpaid amounts of council tax and business rates and therefore has to take recovery action through the Magistrates' Court to obtain the necessary order.

1.9.2 The Council's costs in taking this recovery action is charged back to the taxpayer as follows:-

Court Costs 2015/16	Council Tax - costs requested			Non Domestic Rates - costs requested		
	Summons	Liability Order	Total	Summons	Liability Order	Total
Tonbridge & Malling	£55.00	£45.00	£100.00	£120.00	£60.00	£180.00

1.9.3 The level of costs is agreed with the Magistrates' Court each year, and following a recent High Court case, evidence must be provided to justify the amount being requested. The Magistrates' Court has accepted our cost evidence during this financial year for the above charges.

1.9.4 Our cost base in delivering this function is not expected to increase significantly in 2016/17, and as a result we do not propose to seek the Court's approval to increase the level of costs requested from taxpayers.

1.9.5 It is **RECOMMENDED**, therefore, that the amount of costs recharged should remain the same for the 2016/17 financial year.

1.10 Legal Implications

1.10.1 The Council's financial rules require that all fees and charges must be reviewed at least once a year and be reported to Members.

1.11 Financial and Value for Money Considerations

1.11.1 As set out above in relation to individual fees and charges.

1.12 Risk Assessment

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

1.13 Equality Impact Assessment

1.14 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.15 Recommendations

1.15.1 Recommendations are set out at the end of each section.

Background papers:

Nil

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