

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

04 January 2017

Report of the Management Team

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 REVIEW OF FEES AND CHARGES 2017/18

This report brings forward for consideration as part of the budget setting process for 2017/18 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 2017/18 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 2017/18 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 9 February 2017. 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 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 last year has shown a slight decline in search income although currently there is a slight upturn in search activity.

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. The current charges have not increased since 2008.

1.3.4 In July 2016 the Local Authority implemented changes to the questions it answered using the new Official Enquiries of Local Authority forms R and O (more commonly known as "Con 29"). This was successfully introduced and has now been in place for just under 6 months. Your officers have been working to ensure that the fees remain appropriate under the new form and random sampling and time recording has taken place to test the level of fees in accordance with the appropriate legislation on charging. The result of this work has shown that the current level of fees remains appropriate. It is not therefore proposed to increase the standard fees which were charged last year.

1.3.5 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 with effect from 1 January 2017 (save for the official certificate of search and the search of the Land Charges Register) (referred to as "the official LLC search fee"). This decision was previously postponed from February to enable local authorities and their software providers to work on the changes required to respond to the new Official Enquires of Local Authority referred to above to bring that into operation in July 2016.

- 1.3.6 In early December 2016 HMRC confirmed that CON29 would be subject to VAT from 1 January 2017. Given the relatively short notice of this implementation date some software suppliers and the Local Land Charges Institute have made representations to HMRC asking for a further delay until April 2017. As at the time of writing this report no official notification from HMRC has been received to delay the implementation, officers will update members at the meeting. Therefore it should be assumed that VAT will become applicable on charges made after January 2017. The table at Annex 1 shows the fees for land charges searches and enquiries and the VAT element of those proposed to be effective from 1 January 2017.
- 1.3.7 It is not believed that it is appropriate to have any concessionary charges apply to these fees given that the search function supports the sale and purchase of private property. Members are reminded of the requirement under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have regard to the requirement to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) to advance equality of opportunity between people from different groups and (iii) to foster good relations between people from different groups, it is not believed that these charges will have an adverse impact on any particular group protected by the 2010 legislation. As the charges will be the same for everyone there does not appear to be any disproportionate effect on any of the protected groups.
- 1.3.8 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 2017 and that property search fees, are to be subject to VAT as shown in the table at Annex 1 from 1 January 2017 unless HMRC confirms that any element shown as Vatable should not be subject to VAT.

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 11 February 2016 (D160019CAB) and some amendments are proposed as shown in bold [see **Annex 2**]. Concessionary use is subject to a number of restrictions as shown in **[Annex 3]**.
- 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 4]**. Annual income from the hire of the Chamber is approximately £1000, and it is estimated that the proposed charges will generate additional income of £50.

1.6 Tonbridge Castle Wedding Charges

- 1.6.1 Current wedding charges were agreed by Cabinet on 11 February 2016 (Decision D160019CAB). Members agreed a charge of £800 for weddings in the Chamber and £1200 for weddings in the Gatehouse for 2016/17. Charges of £840 and £1250 respectively were also agreed for 2017/18.
- 1.6.2 The current charges at a number of premises licensed for Civil Marriages are shown in **[Annex 5]**
- 1.6.3 Weddings are often booked more than one year in advance and applications are now being received for 2018/19. It is, therefore, necessary to consider a charge for implementation from 1 April 2018, as Members have already agreed the charges for 2017/18. The Director of Central Services has proposed an increase of around 5% for the following charges in 2018/19, which will generate additional net income of approximately £1500:

	Current Charge 2016/17 (£)	Agreed Charge 2017/18 (£)	Proposed Charge 2018/19 (£)
Weddings			
• Chamber	800	840	900
• Gatehouse	1200	1250	1300
Renewal of Vows/Baby Naming			
• Chamber	560	600	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 4, be agreed for implementation from 1 April 2017; and
- 2) the proposed charges for Weddings, as outlined in paragraph 1.6.3 above, be agreed for implementation from 1 April 2018.

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.

1.7.5 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 through fees and charges.

1.7.6 All Fees have been subject to an inflationary uplift of 2%.

1.7.7 Additional increases have been made to categories 7, 8 and 9 in recognition of the amount of time taken to process these types of registration.

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.

1.8.2 Individual flats are considered as individual plots.

New Properties

Category	Up to three in-fill properties on an existing street	Current Fee 2016/17	Proposed Fee 2017/18
1	Addressing one new in-fill property	£169	£172
2	Addressing two to three in-fill properties	£87 per property	£89 per property
	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		
3	Fee for naming of a street, other than in relation to new property addressing	£205	£209
4	Fee for addressing plots, including street naming if required 1- 4 Units	£205 +£31 per unit	£210 +£32
5	5 – 10 Units	£205 +£26 per unit	£210 +£27
6	11 or more units	£410 +£11 per unit	£418 +£12

Existing Properties

7	Renumbering an existing property	£51	£75
8	Renaming an existing property, not in a current numbering scheme	£51	£75
9	Registering the addition or change or an alias to a numbered property	£51	£75
10	Removing an existing alias from a numbered property	No charge	No charge
11	Rename an existing street	£1,540	£1,570
12	Rename a block of flats	£1,540	£1,570
13	Fee for addressing units (flats) when splitting an existing property	£87 per unit	£89 per unit
14	Fee for addressing a single property when merging separate units	£169	£172

1.8.3 It is **RECOMMENDED** to Cabinet that the above fee Schedule for Street Naming and Numbering be adopted from 1 April 2017.

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 2016/17	Council Tax - Costs			Non Domestic Rates - Costs		
	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 2017/18, 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 2017/18 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

- 1.13.1 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.

1.14 Recommendations

- 1.14.1 Recommendations are set out at the end of each section.

Background papers:

Nil

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