# IMPROVING CUSTOMER EXPERIENCE

## PROPOSAL 8 - BALANCING THE COST OF SERVICES

**Lead Portfolio: Reform and Governance**

### 1.0 Overview

1.1 Ensuring that the balance between locally raised taxes, and the fees and charges paid to access services, are fully understood and balanced in line with Council priorities is a key priority within our Medium Term Financial Plan. Six areas were identified in the proposals tabled by Cabinet in October 18 with an expectation that these proposals would contribute £1.005m in 2019/20

1.2 The indicative breakdown of this overall saving target may flex over time as we continue to understand the potential to generate income across a range of services. In particular it should be noted that the income target for generating income from buildings has been refined without affecting the balancing total for the wider MTFP proposals for 2019/20. These proposals were considered in more detail by a number of scrutiny committee during October and December 2018.

1.3 The purpose of this report is to provide an overview of the proposals for consideration by Cabinet. In the interests of transparency, we presented a broadly similar report to all the Scrutiny Committees who may have an interest in the content of this proposal.

1.4 Balancing the cost of services has the potential to affect all public and business facing services. We anticipate that all services will be reviewed to ensure that the Council applies a consistent approach to charging and cost recovery for non-statutory service. The areas likely to be most affected are services where individuals and/or businesses require a non-statutory service from the Council that directly benefits them.

1.5 The prices quoted in this report are net of VAT. Where charges are subject to VAT, this will be in addition to the new charge stated in the tables.

### 2.0 Corporate Framework and Governance

2.1 In our overarching proposal we were clear that a focus on balancing the cost of services would mean that residents and businesses across Stockport would see:

- A clearer and more transparent offer from Council services to the public,

- Residents will access services primarily online with as much self-service as possible,
- People may have to pay more to access certain services,
- Targeted safety nets and escalation routes will be in place to ensure everyone can access appropriate personal services.

2.2 We have previously stated that these proposals will see a fundamental review of our charging protocols for all aspects of service delivery based on a pre-determined set of principles which have now been scrutinised and refined in response to feedback. Consultation is currently being undertaken on these principles and a final version of the Fairer Charging Policy will be presented to Cabinet in February.

2.3 As previously stated the legal basis for charging is included in the Local Government Act 2003. In addition to existing statutory provisions which expressly authorise charging, Section 93 of the 2003 Act allows a local authority to charge for any services which it has discretion to provide. Given the ongoing pressures on our budget brought about by the increasing demand for statutory services it is likely that the Council will exercise this legal right to charge for discretionary services more routinely. As well as informing our approach during 2019/20 the principles, process and review mechanisms contained within this policy document will also be applied across the Council and will reshape the way we operate beyond 2019/20.

2.4 In our earlier report we also confirmed that we had established a senior management board which had been asked to maintain oversight of our approach in order to ensure consistent decision making.

## 3 Balancing the cost of pre-application planning advice (£0.050m)

3.1 The Council currently offers a free pre-application service in connection with planning applications to be determined by this authority. The proposal is to implement charges for residents and businesses for pre-planning advice with effect from April 2019.

3.2 Charging for pre-application planning advice is now common practice both within Local Authorities and the wider market and is generally accepted by developers. The introduction of charges in this area is likely to reduce the number of pre-application enquiries taking away the more speculative discussions and enabling the planning service to clawback time resource that is currently spent providing applicants and agents with advice that is available elsewhere.

3.3 The anticipated charging schedule is summarised below. It is proposed that the new charging will be published on the Council's website in January to take effect in April 19:

| Type | Anticipated Number | Proposed Price per Inquiry (£) (ex Vat) | Additional Income (£) |
|---|---|---|---|
| Householder | 70 | 70 | 4,900 |
| Householder (Conservation Area) | 50 | 120 | 6,000 |
| Change of Use | 10 | 100 | 1,000 |
| Advertisements | 5 | 100 | 500 |
| Minor Development | 20 | 500 | 10,000 |
| Small-scale | 16 | 1000 | 16,000 |
| Medium | 8 | 1,500 | 12,000 |
| Large-scale | 4 | 2,500 | 10,000 |
| Works to trees | 10 | 100 | 1,000 |
| Conservation/Listed Building | 10 | 120 | 1,200 |
| Refunds | 20 | 35 | 700 |
| **New Charges Sub-total:** | | | **63,300** |
| Section 38 - Small | 5 | 850 | 1,250 |
| Section 38 -Medium | 5 | 1,250 | 1,250 |
| Section 38 - Large | 5 | 1,750 | 1,250 |
| **Existing Charges Sub-total:** | | | **3,750** |
| **Total:** | | | **67,050** |

3.4 For further detail about this proposal please see Appendix 1.

## 4 Balancing the cost of services in other areas (£0.600m)

4.1 In order to respond to the direction of travel outlined in the proposals presented to Cabinet in October 2018, Services to Place and Corporate and Support Services started to evaluate all services in October 2018 using a process which was described in our earlier reports. Managers in Place and Corporate & Support Services reviewed all public and business-facing services to establish whether or not their current charges and operating models balances the cost of delivering the service.

4.2 The approach taken to this review has differed according to the service under consideration. Corporate and Support Services generally delivers services to schools and businesses and enters into a longer-term contractual arrangement with outputs and standards of performance determined in advance by an agreed Service Level Agreement. In this area all charges are reviewed annually as part of the normal operating business cycle to take issues such as increases in salary, increased running costs and the cost of other overheads into consideration.

4.3 Within Services to Place the type of service being delivered is often delivered in response to an emerging and discrete requirement of a customer who may be an individual or a business. Managers in this area were asked to establish whether or not their current operating model balances the cost of delivering the service.

4.4 Managers were asked to undertake a detailed analysis of the current cost of delivering a service at a transactional level so that the true delivery cost is understood. The outcome of this exercise, which has been subject to senior management scrutiny and validation, indicated that a number of services are not covering the cost of delivery and in many case we continue to subsidise.

4.5 Subsidy of some services will continue, but in the main this proposal increases fees to cover the operational cost of delivery. Equality Impact Assessments on some of the proposals will be required before implementation of the new fees, to ensure that any detrimental impact on equality groups are understood.

4.6 Subject to any emerging feedback from key stakeholders and subject to approval by Cabinet it is proposed that all services use the new Fees & Charging Protocol to set their prices, which includes an ability to increase by a minimum of inflation automatically. The charges associated with the following services will be revised with effect from the 1st April 2019.

## 5 Summary of revised charges

### Animal Licensing

5.1 The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 came into force on 1st October 2018 and replaced most of the previous animal licensing legislation, which did not allow the Council to recover all of the associated administrative and enforcement costs associated with these licenses.

5.2 The new statutory process of validating applications, inspecting premises, risk assessment, star rating and associated enforcement work is much more extensive under the new legislation. The proposed charges cover the operational cost of delivery.

| | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| **Activity** | **Current Charge per transaction.** | **Proposed Charge per transaction.** | **Increase** | **Indicative Additional Income.** |
| | **£** | **£** | **%** | **£** |
| *Animal Licences : Boarding Dogs* | £84.50 | £240.00 | 184.0% | £4,500 |
| *Animal Licences : Boarding Cats* | £84.50 | £240.00 | 184.0% | £500 |
| *Animal Licences : Home Boarding* | £84.50 | £240.00 | 184.0% | £10,000 |
| *Animal Licences : Breeders* | £84.50 | £240.00 | 184.0% | £1,000 |
| *Animal Licences : Day Care* | £0.00 | £240.00 | n/a | £5,000 |
| *Animal Licences : Exhibitions* | £32.00 | £240.00 | 650.0% | £500 |
| *Animal Licences : Hiring Out Horses* | £84.50 | £240.00 | 184.0% | £500 |
| *Animal Licences : Selling Animals* | £84.50 | £240.00 | 184.0% | £2,000 |
| **Subsidised Service Delivery.** | | | **Sub-total:-** | **£24,000** |

**Filming in External Locations**

5.3 The Council already has charging procedures in place to cover internal filming requests at civic buildings and filming requests in Council managed parks & green spaces. External filming requests are becoming more complex and they frequently involve more disruption and require the involvement of many different council services & external partners. This proposal is to introduce a pricing model scaled on the size and complexity of the request to cover the cost of delivery.

| | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| **Activity** | **Current Charge per transaction.** | **Proposed Charge per transaction.** | **Increase** | **Indicative Additional Income.** |
| | **£** | **£** | **%** | **£** |
| *Growth : External Filming* | £0.00 | Variable depending on complexity | n/a | £7,000 |
| **Full Cost Recovery.** | | | **Sub-total:-** | **£7,000** |

**Stockport Town Centre Managed Sites**

5.4 The Council has previously created four town centre sites that have encouraged activities & events. Management of these sites is through a commercialised sites promotions company. In 2017 the Council created a number of new 'Consent Streets' within the current Town Centre Street Trading Restriction Area, meaning additional Managed Sites can now be established within these new areas generating further opportunities for groups and increasing income. Whilst the creation of the additional sites should lead to an increase in income, this increase is not expected to increase proportionately. The indicative additional income is £14,000.

**Housing Standards & Immigration**

Land Searches

5.5 The Housing and Environment Team currently undertake land searches on behalf of solicitors who require information for their clients about contaminated land situated on or in the vicinity of a property or piece of land. At present no charge is currently taken for these searches, this proposal introduces a charge to cover the cost of delivery.

Housing in Multiple Occupation Licencing

5.6 The Housing Act 2004 makes provision for the Local Authority to charge a fee relating to licencing of Houses in Multiple Occupation. The current licence fee is set despite the number of rooms of sleeping accommodation. This means that a property with 5 bedrooms is charged the same as one with 10. It is proposed an additional fee is charged per additional room of sleeping accommodation over 5 to cover the cost of licencing and inspecting the property based on size.

Immigration Inspections

5.7 Persons immigrating to the UK are required to provide a report to the British High Commission about the place they intend to live. The report confirms that the proposed accommodation is in a satisfactory condition and will not become statutorily overcrowded. This proposed increase is to cover the cost of delivering this service.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Public Protection - Housing Standards : Land Searches* | £0.00 | £120.00 | n/a | £30,000 |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Public Protection - Housing Standards : HMO Initial Licence* | £689.00 | £705.00 | 2.3% | £0 |
| *Public Protection - Housing Standards : HMO Renewal Licence* | £561.00 | £575.00 | 2.5% | £0 |
| *Public Protection - Housing Standards : Immigration Inspection* | £107.00 | £125.00 | 16.8% | £1,000 |
| **Operational Cost Recovery.** | | | **Sub-total:-** | **£31,000** |

**Building Regulations**

Building Regulation

5.8 Building Regulation fee charges are governed by the ”The Building (Local Authority charges) Regulations 2010”. The Regulations require the Council to set an hourly rate for their charges and is used to create all fees and quotes for applications. Having reviewed the current charges it is clear that we are not recovering our costs. This proposed increase covers the operational cost of delivery per hour.

Street Naming & Numbering

5.9 This proposal increases the fee for street naming and numbering applications for housing developers to cover the cost of delivery.

Demolition Notices

5.10 Processing of Demolition Notices Sections 80 and 81 of the Building Act 1984 require those undertaking demolition to notify the Local Authority of the intention to undertake demolition. The council does not currently charge for administrating this service. It is proposed to introduce a new charge for administering the issue of a demolition notice. This is in line with other Authorities who make a charge for administering this service.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Building Control: Hourly Rate (£).* | £71.76 | £87.00 | 21.2% | £80,000 |
| *Building Control: Street Naming & Numbering* | £45.00 | £65.00 | 44.4% | £15,000 |
| *Building Control: Demolitions.* | £0.00 | £100.00 | n/a | £5,000 |
| **Operational Cost Recovery.** | | | **Sub-total:-** | **£100,000** |

### Taxi Licensing

5.11 This new proposed fee structure realigns Taxi Licensing fees with the actual costs incurred in delivery. Fees relating to driver licences will increase, with new driver fees rising to cover additional costs associated with essential applicant validations and safeguarding checks. The increased charges also now include the new driver "knowledge tests" which are currently subsidised by the local authority. Fees relating to vehicle licences will reduce in accordance with service efficiency improvements which have reduced the administrative burden on the licensing authority. This supports work carried out earlier in the year in relation to determining cost recovery. Efficiency improvements include the provision of increased services and processes online (including online booking systems) and the implementation of the new contract in respect of vehicle testing with the booking system and receipt of payments now being managed directly by the test provider. Renewal fees are generally lower than new application fees due to the reduced administration now associated with a renewal application. Approval of taxi licensing fees is required by both the Council's Executive and Full Council*.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Taxi Licences: New Driver 1 Year (inc all licence types)* | £67.00 | £245.00 | 265.7% | £9,000 |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Taxi Licences: New Driver 3 Year (inc all licence types)* | £130.00 | £297.00 | 128.5% | £16,000 |
| *Taxi Licences: Renewal Driver 1 Year (inc all licence types)* | £63.00 | £108.00 | 71.4% | £5,000 |
| *Taxi Licences: Renewal Driver 3 Year (inc all licence types)* | £114.00 | £150.00 | 31.6% | £9,000 |
| *Taxi Licences: New Vehicle Private Hire* | £189.00 | £183.00 | -3.2% | (£3,000) |
| *Taxi Licences: New Hackney Vehicle* | £172.00 | £192.00 | 11.6% | £0 |
| *Taxi Licences: New Vehicle Executive* | £178.00 | £180.00 | 1.1% | £0 |
| *Taxi Licences: Renewal Vehicle Private Hire* | £189.00 | £157.00 | -16.9% | (£19,000) |
| *Taxi Licences: Renewal Hackney Vehicle* | £172.00 | £160.00 | -7.0% | (£1,000) |
| *Taxi Licences: Renewal Vehicle executive hire* | £178.00 | £152.00 | -14.6% | (£1,000) |
| *Taxi Licences: Processing An Accident Form.* | £0.00 | £18.00 | n/a | £4,000 |
| *Taxi Licences: Visual Inspection* | £0.00 | £18.00 | n/a | £2,000 |
| *Taxi Licences: Knowledge test resits & admin fee (inc all licence types)* | £16.50 | £70.00 | 324.2% | £7,000 |
| | | | **Sub-total:-** | **£28,000** |

**Food Export Certificates**

5.12 Export certification is usually required by non-EU countries to provide assurance that exported food complies with their import requirements and has passed through an official export route from the country of origin. This proposal increases the charge to cover the cost of delivery of this service.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Public Protection - Issuing Food Hygiene Certificates to exporters* | £41.05 | £45.00 | 9.6% | £4,000 |
| **Operational Cost Recovery.** | | | **Sub-total:-** | **£4,000** |

**Food Hygiene Rating Re-Inspections and Advice**

Inspections

5.13 The Food Standards Agency's (FSA) agreement with LAs to deliver the Scheme previously prevented charging. This position has since been reviewed following legal advice and the FSA advise that providing a re-inspection upon request by a food business operator, in circumstances where there is no statutory requirement to provide that re-inspection, falls within the general power that allows for the recovery of costs.

Food Safety Advice

5.14 This proposes introducing a charge to cover the cost of providing bespoke food hygiene advice to business. Businesses are still directed to free advice on Council webpages and associated links (e.g. the Food Standards Agency) where simple advice is available. Local Authorities nationwide have introduced charging for non-statutory services such as this.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Fixed / Mandatory Charge. £ | Proposed Fixed / Mandatory Charge. £ | Increase % | Indicative Additional Income. £ |
| *Public Protection - Food Hygiene request to re-visit and re-rate following an inspection* | £0.00 | £165.00 | n/a | £3,000 |
| *Public Protection - Charging for business advice (Non-visit)* | £0.00 | £79.00 | n/a | £1,000 |
| *Public Protection - Charging for business advice (Visit)* | £0.00 | £120.00 | n/a | £4,000 |
| **Mandatory / Fixed Fee.** | | | **Sub-total:-** | **£8,000** |

**Parking Enforcement**

5.15 Parking and Bus Lane Enforcement is regulated and the value of a PCN is set nationally. Whilst the value of a PCN is set, this proposal is intended to increase efficiency of parking and traffic enforcement activity. The extra anticipated income, which will contribute to highways investment, is £80,000.

**Pest Control & Hygiene Action**

5.16 Pest Control & Hygiene Action Services charges were last reviewed in April 2018. The proposed fees and charges now align to both AGMA and local private suppliers' schedule of rates. The proposal is to increase the existing charges by CPI inflation and introduce an administration fee for refunds. The extra anticipated income from this proposal is £6,000.

**Cemeteries & Crematoriums**

5.17 Reviewing the operational cost to facilitate the burial process has identified the need to increase charges to cover the costs. Benchmarking and comparing services in other Gt. Manchester Authorities (AGMA group) has determined that the SMBC charge is well below same services in other Authorities. Following the implementation of this proposals it is anticipated that the demand for non-resident burials will reduce, and therefore reduce the pressure on limited grave spaces.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Cemeteries & Crematoria: Resident Weekday Internment Fee (Burial).* | £637.00 | £895.00 | 40.5% | £71,000 |
| *Cemeteries & Crematoria: Resident Weekend Internment Fee (Burial).* | £796.25 | £1,790.00 | 124.8% | (£10,000) |
| *Cemeteries & Crematoria: Non-Resident Weekday Internment Fee (Burial).* | £1,275.00 | £1,790.00 | 40.4% | (£10,000) |
| *Cemeteries & Crematoria: Non-Resident Weekend Internment Fee (Burial).* | £1,593.75 | £2,685.00 | 68.5% | (£15,000) |
| *Cemeteries & Crematoria: Resident New Grave Spaces Burial (75 Year Lease).* | £808.00 | £995.00 | 23.1% | £10,000 |
| *Cemeteries & Crematoria: Non-resident New Grave Spaces Burial (75 Year Lease).* | £1,616.00 | £1,990.00 | 23.1% | £2,000 |
| *Cemeteries & Crematoria: Resident Cremated Remains Interment.* | £182.00 | £240.00 | 31.9% | £3,000 |
| *Cemeteries & Crematoria: Non-resident Cremated Remains Interment.* | £364.00 | £480.00 | 31.9% | £1,000 |
| *Cemeteries & Crematoria: Headstone Permits (Burial or Cremation).* | £131.00 | £160.00 | 22.1% | £4,000 |
| **Subsidised Service Delivery.** | | | **Sub-total:-** | **£56,000** |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Cemeteries & Crematoria: Resident New Ashes Grave Purchases (50 Year Lease).* | £353.00 | £420.00 | 19.0% | £4,000 |
| *Cemeteries & Crematoria: Non-Resident New Ashes Grave Purchases (50 Year Lease).* | £706.00 | £840.00 | 19.0% | £1,000 |
| *Cemeteries & Crematoria: Cremations.* | £171.00 | tbc* | n/a | £25,000 |
| *Cemeteries & Crematoria: Wooden Chambers/Timbering* | £61.00 | £280.00 | 359.0% | £2,000 |
| *Cemeteries & Crematoria: Choose a Grave* | £0.00 | £40.00 | n/a | £2,000 |
| *Cemeteries & Crematoria: Mason Registration Scheme* | £0.00 | £75.00 | n/a | £2,000 |
| **Operational Cost Recovery.** | | | **Sub-total:-** | **£36,000** |

*To be agreed/current estimated additional income.

### Employment & Skills Agreements

5.18 The proposed new charges would cover the cost of officer time in relation to the development, support and monitoring of employment and training agreements between Developers and the Council through the Planning process. Proposed charges should cover the cost of advice, negotiation and preparation of the agreement, plus quarterly monitoring of outputs and would be in addition to all other planning related charges.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Growth : Work and Skills Agreements (major applications)* | £0.00 | £800.00 | n/a | £2,000.00 |
| **Full Cost Recovery.** | | | **Sub-total:-** | **£2,000.00** |

### Waste & Recycling Containers

5.19 All replacement bins are currently charged at £8.33 regardless of the type or reason for the request (or £10 including VAT), this proposal increase the charge to £12.50 (or £15 including VAT). This will be subsidised from the full £37 cost to reduce the cost payable by the resident.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Waste & Recycling Containers* | £8.33 | £12.50 | 50.1% | £25,000 |
| **Subsidised Service Delivery.** | | | **Sub-total:-** | **£25,000** |

### Traffic Services

5.20 This proposal is to increase traffic services activities to cover the operational cost of delivery.

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Traffic Services: Skip Company Registration Fee.* | £113.00 | £116.00 | 2.7% | £0 |
| *Traffic Services: Skip Permit for Registered Company (in advance).* | £31.00 | £32.00 | 3.2% | £1,000 |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Traffic Services: Skip Permit for Registered Company (in arrears).* | £56.00 | £64.00 | 14.3% | £3,000 |
| *Traffic Services: Scaffold / Hoarding (Town Centre 0 to 7 days).* | £112.00 | £115.00 | 2.7% | £0 |
| *Traffic Services: Scaffold / Hoarding (Town Centre subsequent 7 day period).* | £40.00 | £41.00 | 2.5% | £0 |
| *Traffic Services: Scaffold / Hoarding (Outside Town Centre 0 to 7 days).* | £68.00 | £70.00 | 2.9% | £0 |
| *Traffic Services: Scaffold / Hoarding (Outside Town Centre subsequent 7 day period).* | £35.00 | £36.00 | 2.9% | £0 |
| *Traffic Services: Container on the Highway (28 Days).* | £124.00 | £128.00 | 3.2% | £0 |
| *Traffic Services: Crane / MEWP ( 0 to 7 days).* | £112.00 | £115.00 | 2.7% | £0 |
| *Traffic Services: Crane / MEWP (each subsequent 7 day period).* | £40.00 | £41.00 | 2.5% | £0 |
| *Traffic Services: Crane / MEWP ( 0 to 7 days).* | £68.00 | £70.00 | 2.9% | £0 |
| *Traffic Services: Crane / MEWP (each subsequent 7 day period).* | £35.00 | £36.00 | 2.9% | £0 |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Traffic Services: Access protection markings / H Bar.* | £141.00 | £150.00 | 6.4% | £500 |
| *Traffic Services: Vehicle dropped crossing.* | £155.00 | £170.00 | 9.7% | £2,000 |
| *Traffic Services: Highway Adoption and CON 29 Search* | £88.00 | £91.00 | 3.4% | £0 |
| *Traffic Services: Highway Adoption Search* | £36.00 | £37.00 | 2.8% | £0 |
| **Operational Cost Recovery.** | | | **Sub-total:-** | **£6,500** |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Traffic Services: TRO'S for developers.* | £3,300.00 | £6,000.00 | 81.8% | £27,000 |
| *Traffic Services: S50 Type 1 (not involving the installation of apparatus).* | £412.00 | £424.00 | 2.9% | £0 |
| *Traffic Services: S50 Type 2 (involving installation of the underground apparatus)* | £567.00 | £584.00 | 3.0% | £0 |
| *Traffic Services: S50 Type 3 - (works undertaken to install/erect structures on the public highway)* | £1,545.00 | £1,591.00 | 3.0% | £0 |
| *Traffic Services: TTRO temp 5 day / 21 day notice* | £412.00 | £424.00 | 2.9% | £0 |

| Activity | 2018/19 | PROPOSED POSITION 2019/20 | | |
|---|---|---|---|---|
| | Current Charge per transaction. £ | Proposed Charge per transaction. £ | Increase % | Indicative Additional Income. £ |
| *Traffic Services: TTRO for 18 months* | £927.00 | £955.00 | 3.0% | £2,000 |
| *Traffic Services: TTRO for renewal* | £1,854.00 | £1,910.00 | 3.0% | £0 |
| *Traffic Services: Housing development temp signs* | £206.00 | £212.00 | 2.9% | £500 |
| *Traffic Services: Tourism and Privileged signs* | £350.00 | £361.00 | 3.1% | £0 |
| **Full Cost Recovery.** | | | **Sub-total:-** | **£29,500** |

**Greenspace**

5.21 Greenspace Fees & Charges are reviewed annually. The overall implication for both service budgets and users is minimal. An expected increase in yield of £10,000 from the commercial use of parks, which includes Circuses, Fun Fairs and Carnivals.

**Summary**

5.22 The table below shows a summary of the information in section 5.

| Summary: | Indicative Additional Income £ |
|---|---|
| *Animal Licences.* | £24,000 |
| *Building Control.* | £100,000 |
| *Cemeteries & Crematoria.* | £92,000 |
| *Growth.* | £23,000 |
| *Public Protection.* | £43,000 |
| *Parking Enforcement* | £80,000 |
| *Pest Control & Hygiene Action.* | £6,000 |
| *Taxi Licences.* | £28,000 |
| *Waste & Recycling Containers.* | £25,000 |
| *Traffic Service.* | £36,000 |
| *Greenspace* | £10,000 |
| *Application of Policy: Inflationary Increases* | £60,000 |
| *Price increases agreed in 2018/19* | £56,000 |
| **Total:** | **£583,000** |

## 6 Expanding the market share of existing trading services (£0.100m)

6.1 As well as making sure that the right people pay the right amount for the right services, balancing the cost of services also encompasses activity which helps the Council increase our market share where appropriate in existing and new markets.

6.2 For many years Corporate Support Services (CSS) has traded corporate services to schools and public sector partners. Currently the Council is working with 160 schools including 46 schools from across Tameside, Trafford, Manchester, Bury and Cheshire East and 58 other organisations.

6.3 Services are currently traded via an amazon style on line purchasing web site called SLA online and a small support team in CSS is dedicated to relationship management, quality assurance, customer support and they are the first point of contact for schools and partners purchasing a range of services predominantly in Services to People and Corporate and Support Services.

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6.4 Over the past 18 months the traded support team has developed a toolkit and support package which has allowed the team to work closely with a number of teams in pilot areas to understand how to balance costs; understand competitor activity; create robust pricing strategies; create and deliver marketing plans; manage risk etc.

6.5 In CSS work is well underway to expand our market share either within Stockport or across a wider demographic area. This may include:

- Selling existing products to an exist customer base for example encouraging Stockport schools that do not currently purchase a service to do so in the future
- Selling an existing product to a new customer base for example providing Health and Safety Services to private sector care homes
- Identifying a new product to sell to existing or new customer bases for example responding to the emerging need for GDPR expertise and selling this service to schools and other clients

6.6 The following table demonstrates how we CSS expect to achieve our income target of £0.100m in 2019/20. Any changes to fees shall ensure the impact of any changes are understood, transparent and the customer remains at the heart of what we do. Some more detailed information is not included for reasons of commercial sensitivity.

| Service | Contribution | Method |
|---|---|---|
| | **£000** | |
| **Information Governance** | 0.021 | Increase market share |
| **Health & Safety** | 0.003 | Increase market share |
| **Schools Performance** | 0.011 | Increase market share |

| | | |
|---|---|---|
| **IT SIMS** | 0.008 | Increase market share |
| **Service** | **Contribution** | **Method** |
| | **£000** | |
| **IT Schools** | 0.010 | Making efficiencies |
| **IT AVA (SLA)** | 0.015 | Making efficiencies |
| **Services across CSS** | 0.032 | Revising charges |
| **TOTAL** | **0.100** | |

## 7 Making Events and Registrars a cost-neutral service (£0.050m)

7.1 Events and Registrars was redesigned in April 2017 and like many other services has been working towards a full cost recovery model for some time. During 2018/19 the team is forecast to generate an additional £0.072m income some of which will contribute to savings targets in that year. During 2019/20 the team will contribute a further £0.050m in order to move the service to a cost-neutral operating model in the first instance. In an earlier report we confirmed that this was likely to include a further review of staffing and all associated running costs. We are now consulting with staff on further refinements to the operating model in this area. This will see a reduction in management costs and an increase in customer facing roles with a specific 'sales' remit.

7.2 We have also previously articulated an ambition to increase events at Bramall Hall, Chadkirk Chapel and Town Hall building on the marketing, brand and reputation that has been developed at these Council venues. An earlier feasibility study suggested that these assets have the potential to deliver income for the Council if some of the limitations of the current operating model and current building layouts are addressed. The feasibility studies completed by Creative Heritage last year have now been developed into full business cases for the Town Hall, and the barn area at Chadkirk Chapel.

7.3 These business cases are now being considered as part of the Place and Property workstream. A mixed-use site review is also being completed in with the view to look at overall operations at each asset. These operations will be looked at holistically with the aim of streamlining Council activities; and better resourcing and managing the sites. Improved operational models at these sites could see a significantly increased amount of revenue for the Council.

## 8 Early Years (£0.120m)

8.1 The New Early Years Reform requires 95% of Early Years funding to be passed through to providers via the local early years single funding formula. The Council has flexibility within the regulations to retain 5% to fund centrally incurred Early Years spend for services such as School Improvement (Early Years Consultants) and Early Years Project Team. As part of the 2018/19 savings proposals the centrally retained element was increased by £0.350m

resulting in the centrally retained element being circa 3.7%. It is proposed to further increase this in 2019/20 by a further £0.120m which is still within the 5% allowed by the regulations. This programme has already received approval for delivery within 2019/20.

## 9 Generating Income from Buildings (£0.085m)

9.1 Generating income from buildings is a separate but aligned area of work which is being considered as part of the Place and Property Work stream. This update is provided for information in order to present a comprehensive picture. The associated target which is now £0.085m will be generated by applying the emerging Fees and Charges Policy outlined earlier in this report. Early indications suggest that there are a wide range of services currently using community buildings for a range of activities, some of which appear to be more commercially lucrative to the person or group renting the space than others. An early analysis of the fees charged for access to community buildings suggests that they are not covering the operating costs of collecting the fee. In the short term our focus in on reducing the cost of collecting a fee and improving the way in which people can book community spaces using digital technology. The next phase of activity will look at our overall charging framework. As with all other charging decisions this will need to be mindful of the differing enterprises delivered out of community buildings and any unintended consequences of charging more or charging differently for access to a community space. With this in mind it is likely that any changes in approach will be implemented on a phased basis so that the impact of a change can be monitored and addressed.

## 10 Summary of Financial Progress

10.1 The MTFP proposals relate to all areas of the Council, however the proposal “Balancing the cost of services in other areas” has mainly been contributed to by Services to Place and Corporate and Support Services in this first phase of work. As previously stated all other non-statutory areas which provide goods or a service to the public and/or businesses are within scope of this review.

10.2 The tables below shows that there is £1.005m of potential additional income that has been identified (including inflation), for 2019/20. It is intended that inflationary increases will be introduced each year going forward as part of the new protocol and the Consumer Price Index as at the previous September be used as the increase measure. This aligns with various other policies e.g. Housing Revenue Account rents and service charges and Business Rates. Summary totals are shown below:

| MTFP Proposal | Original 19/20 £000 | Current Estimate 19/20 £000 |
|---|---|---|
| Balancing the cost of pre-application planning charges | 50 | 67 |
| Balancing the cost of services in other areas | 600 | 583 |
| Expanding the market share of existing services | 100 | 100 |
| Making Events & Registrars a cost-neutral service | 50 | 50 |
| Early Years | 120 | 120 |
| **Subtotal & Target for this project** | **920** | **920** |
| **Generating Income from Buildings** | **85** | **85** |
| TOTAL MTFP Proposals | 1,005 | 1,005 |

10.3 Forecasting income involves an element of uncertainty. Debt recovery is therefore included as one of the key 11 policy decisions which we are consulting upon.

10.4 The prices quoted in this report are net of VAT. Where charges are subject to VAT, this will be in addition to the new charge stated in the tables.

## 11 Timescales

11.1 These timescales apply to the first phase of activity which will review charging protocols in all areas of the Council. Upon completion of this earlier activity, our approach will be refined and the review process will be rolled out to other areas of the Council.

| Milestone Description | Date Expected | Output at Milestone |
|---|---|---|
| Detailed Proposals Nov/ Dec Scrutiny | Dec 18 | Agreed programme |
| Notification of increased / new charges published on website | Jan 19 | New fees published |
| New fees for 19/20 introduced | April 19 | |

## 12 Consultation & Engagement

12.1 As previously stated the legal basis for charging is included in the Local Government Act 2003. In addition to existing statutory provisions which expressly authorise charging, Section 93 of the 2003 Act allows a local authority to charge for any services which it has discretion to provide.

12.2 In accordance with the Council's constitution there is no public consultation or engagement required when making a decision to change our charging

protocols. Updated existing fees will be published on the website at least 3 months prior to implementation, after being considered by the relevant process.

12.3 The Council will be undertaking some consultation in order to understand the impact of implementing some of the principles and policy positons outlined earlier in this report. For example where we are taking a decision to remove the ability to pay by cheque for some services we will need to understand what steps we may need to take to mitigate the impact of this decision. We are also consult information with elected members and management on the content of the emerging strategic policy document.

Appendix 1 Balancing the cost of pre-application planning advice