

PERTH AND KINROSS COUNCIL

Enterprise & Infrastructure Committee

11 January 2017

The Environment Service Scheme of Charges 2017/18

Report by Director (Environment)

This report provides details of the charges in place within The Environment Service for financial year 2016/17 and the proposed charges for financial year 2017/18 as detailed in Appendix 1 & 2. Enterprise & Infrastructure Committee are asked to consider and comment on the proposed charges as set out in Appendix 1 & 2 of this report. Final approval of charges will be determined by the Council on 9 February 2017.

1. BACKGROUND / MAIN ISSUES

- 1.1 Section 9.1.1 of the Council's Financial Regulations state that a review of charges must be undertaken at least annually and a revised Scheme of Charges submitted to the relevant themed Committee for consideration.
- 1.2 The Corporate Charging policy approved by the Strategic Policy & Resources Committee on 23 September 2015 (report No. 15/401 refers) sets out the key principles to be followed when setting charges, charges in scope and the annual process to be undertaken in carrying out reviews of individual charges. This ensures consistency across the Council whilst allowing Services the flexibility to shape their approach/policy to meet the needs of customers.
- 1.3 Services are required to submit their proposed list of charges to themed Committees in January/February of each year in advance of setting the budget in February (report No.15/276 refers). This provides Committees with an opportunity to examine Service proposals and recommend charges subject to final approval by the Council in setting the Revenue Budget for the year ahead.
- 1.4 All fees and charges should be set in line with the approved individual charging policy and fall into one of the following categories:

Charging Strategy	Objective
Commercial Charges	The Council aims to cover the cost of providing the service and make a surplus.
Full Cost Recovery	The Council aims to recover the costs of providing the service from those who use it.
Subsidised	The Council wishes users of the service to make a contribution to the costs of providing it. This might meet a service objective or allow competition with other providers.
Free	The Council chooses to make the service available at

Charging Strategy	Objective
	no charge to meet a service objective.
Statutory	Charges are determined in line with legal requirements.

2. PROPOSALS

- 2.1 The Environment Service provide a diverse and wide range of chargeable services to the public and business community ranging from burials and planning fees to parking and commercial waste.
- 2.2 The charging arrangements are set based on a combination of legislative requirements, national policy guidance, market competition and local guidance. As a result there is a mix of discretionary and non-discretionary charges levied by The Environment Service. The annual review process considers a number of factors including an assessment of previous years income, trends in user demand, inflationary pressures, potential to move to payment at point of sale, council revenue budget and savings targets, alternative charging structures and potential impact on vulnerable groups. The charging strategy and specific proposals for 2017/18 are set out below with a detailed breakdown of the proposed charges to be levied with effect from 1 April 2017 in Appendix 1 & 2.
- 2.3 All income generated by charges contributes to service budgets and ensures the continued development and delivery of services.

Planning & Building Standards – Statutory (Appendix 1 Item 13)

- 2.4 Charges are set in line with statute. There are no known changes to charges at the time of writing this report however the Scottish Government are currently reviewing both Planning and Building Standards fees (a formal consultation on Building Standards fees commenced 16 November 2016). The outcome of these reviews and any associated changes to fees will require to be implemented in accordance with the agreed legislation and timescales. There is an expectation from the Scottish Government that any increase in fees, should these be applied, will be used to improve Planning and Building Standards performance. Charges are levied in advance as part of the planning and building warrant application process. Budgeted income in 2016/17 is £2.2m.

Parking – Full Cost Recovery (Appendix 2)

- 2.5 Budgeted On and Off Street parking income for 2016/17 excluding penalty charge notices, resident permits, season tickets and blue badge income is £2.4m. This supports the operational provision of parking and investment in infrastructure as well as the provision of park and ride services/facilities and the unitary charge for Kinnoull Street car park. A report to E&I Committee on 6 June 2015 (report 15/227 refers) received approval to trial changes to controlled parking zones in Perth City centre for a period of 12 months with effect from January 2016 to promote vehicle turnover in the City centre to

support local retail. The outcomes from this trial will be reported to this Committee in 2017. Any proposal to reintroduce the 'Free after 2' initiative (or similar) over the 2017/18 winter period will be the subject of a separate report to Committee. As part of the revenue budget setting exercise on 11 February 2016 (report 16/51 refers), Council provisionally approved an increase of 10% across all on and off street parking charges with effect from 1 April 2017. Charges are levied through the use of automated ticket machines, therefore, increased charges will be set at levels manageable with current coinage.

Road Network Commercial Permit Charges & Street Naming – Full Cost Recovery (Appendix 1 Items 15 & 16)

- 2.6 Budgeted income for road network commercial permit charges in 2016/17 is £40k, derived from utility companies and construction firms and although relatively small in value helps to support the proper management of the road network. A benchmarking exercise with other neighbouring authorities and a review of direct costs indicates that there is the potential to increase charges to achieve the desired outcome of full cost recovery. It is proposed to set all charges on the basis of full cost recovery, representing a range of percentage increases for 2017/18 as detailed in Appendix 1. In addition, it is proposed to increase Street Naming & Numbering charges (non-statutory) by 3% in line with the provisionally approved 2017/18 Revenue Budget on 11 February 2016 (report 16/51 refers).
- 2.7 The projected increase in income has been incorporated into the 2017/18 Revenue Budget proposals. Charges are predominantly levied by invoice although the Service are developing proposals for payment at point of sale (Papos) to receive full payment in advance of providing the relevant permits/approvals, reducing debt recovery requirements and bad debt.

3. CONCLUSION AND RECOMMENDATION

- 3.1 This report provides a summary of the proposed charges for 2017/18.
- 3.2 The Committee is asked to consider and comment on the proposed charges for items 13, 15 and 16 as set out in Appendix 1 and Parking charges as set out in Appendix 2.

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Approved

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

1. Strategic Implications

Corporate Plan

1.1 The Perth and Kinross Community Planning Partnership (CPP) brings together organisations to plan and deliver services for the people of Perth and Kinross. Together the CPP has developed the Perth and Kinross Community Plan which outlines the key things we think are important for Perth and Kinross :

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

1.2 This report relates to all objectives above.

2. Resource Implications

Financial

2.1 The impact of the proposed changes to 2017/18 charges have been incorporated into the Service's 2017/18 Revenue Budget for approval at Full Council on 9 February 2017.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties. The Equality Impact Assessment undertaken in relation to this report can be viewed clicking [here](#).
- 3.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome. Following an assessment using the Integrated Appraisal Toolkit, it has been determined that the proposal is assessed as **not relevant** for the purposes of EqIA.

4. Consultation

Internal

- 4.1 TES Service Managers with responsibility for the charges detailed in Appendix 1 have been consulted in the preparation of this report.

2. BACKGROUND PAPERS

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

- 3.1 Appendix 1 – TES Scheme of Charges 2017/18.
- 3.2 Appendix 2 – Parking Charges 2017/18.