

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member for Safe & Attractive Neighbourhoods
2.	Date:	16th June 2014
3.	Title:	Fees & Charges 2014/15 – Community Protection Services
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

This report proposes the 2014/15 fees and charges for the Safer Neighbourhood Unit.

The recommended level of fees and charges in the report reflect corporate guidance regarding any required increase, market pricing and also nationally prescribed fee levels.

6. Recommendations

It is recommended that the Cabinet Member for Safe and Attractive Neighbourhoods agrees to:

- The proposed fees and charges for 2014/15 scheduled within the report and that the report to be submitted to the Cabinet Member for Safe and Attractive Neighbourhoods for approval.

7. Proposals and Details

This report proposes the level for the 2014/15 fees for services where charges are currently made for services relating to housing and environmental protection.

Section 93 of the Local Government Act 2003 provides powers for local authorities in England to make charges for discretionary services, providing income from the charges does not exceed the cost of the service.

In addition some services have a prescribed fee structure, where Government set the fee level annually.

A full schedule of the proposed 2014/15 fees and charges is attached to this report as Appendix A.

Some of the main proposals are as follows:

7.1 Houses in Multiple Occupation

Fees for the mandatory licensing of Houses in Multiple Occupation (HMO) were established in June 2006. Whilst it has been established that there are over 200 HMOs in Rotherham, there are only twenty-two that attract the mandatory licence fee. This is because, legally, only HMOs which have three storeys or more, and are occupied by five or more persons living in two or more households, are subject to statutory license.

The fee is only payable every five years, and, with the low numbers of mandatory licensable HMOs, it can be seen that this revenue stream will not realise any significant income.

The recommended minimum fee has been suggested by Government as £350, and following calculation of the contributory elements involved in the licensing regime, Rotherham's fee was set at £775 during 2013/14. The proposal is that the fees are increased in line with the rate of inflation. This fee is in line with neighbouring authorities.

7.2 Housing Act 2004 Legal Notices

In July 2011 the Council adopted powers in the Housing Act 2004 to charge for the service of legal notices, including:

- Improvement and Suspended Improvement Notices (sections 11, 12 and 14).
- Prohibition and Suspended Prohibition Orders (sections 20, 21 and 23).
- Emergency Remedial action (section 40).
- Emergency Prohibition orders (section 43)

The charge is variable according to the specifics of the case eg the officer time engaged on the case and the circumstances of those involved, consequently an actual fixed charge cannot be levied. An indicative level is likely to be in the region of £400.

Again it is unlikely that these charges will raise any significant income, as once landlords are warned that charges may be levied if a notice is served, they normally respond quickly avoiding the need to serve a statutory notice.

7.3 Pollution Control

The Environmental Protection Act 1990 (EPA) and Environmental Permitting Regulations 2010 provide for the setting of fees and charges for Local Air Pollution Control (LAPC), (in accordance with the Industrial Emissions Directive (IED)) at levels that are aimed at recovering costs of local authorities of implementing the system.

Fees for EPA Part A2 and Part B processes are set in accordance with statutorily prescribed DEFRA guidance and national fees. This national approach ensures a consistency of fees and charges to business across the country.

The level of fees was out to consultation with Local Authorities until 18th December 2013. The confirmation of the actual fees to be set for 2014/15 is expected during February 2013. DEFRA in recognition of the economic climate nationally have again proposed a freeze on these fees and charges, and it is anticipated that this position will not change from the responses to the consultation.

Further to the established fee setting procedure, a number of polluting processes have been reviewed by DEFRA and determined as "Reduced Fee" activities. These, from April 2014, are Petrol Service Stations, Vehicle Refinishers, Dry Cleaners, Small Waste Oil Burners under 0.4MW, Roadstone Coating, Timber, Cement, Quarry Processes are classed as Reduced Fee activities. In addition, from 1st January 2015 a further 10 processes will have a similar "Reduced Income" approach.

In Rotherham over the past twelve months, following a period of the closure of several permitted processes, the number of business requiring the paid authorisations has stabilised. However, it is anticipated that as a consequence of the revision of the Reduced Fee classifications, income will fall by around £5,000 during 2014/15, and by £10,000 during 2015/16. This will need to be factored into service budgets.

7.4 Works in Default

For a range of enforcement powers involving the service of legal notices requiring compliance with neighbourhood and behavioural 'improvement' notices such as statutory nuisance abatement, local area amenity and filthy/ verminous premises, the Council, if the notice is not complied with, can, prosecute and/or do works in default. Works in Default are undertaken where there is particularly high risk sustained by non-compliance or where the works are needed to stop the impact on neighbours. The Council, in doing these works, can re-charge the person responsible with reasonable costs including both officer time in the arrangements of the works, and, where necessary internal or contractor services to carry out the works.

The actual cost of the works to be re-charged will be variable on the type, extent and time taken in the arrangement and the doing of the works. It is standard practice to calculate these costs in line with advice from Legal Services and by reference to the Council's Standing Orders and Financial Regulations. One of the

contributory elements to the recharge is the associated staff costs and this is calculated as a hourly rate advised by Human Resources and Financial Services from spinal column position.

7.5 Consultation Fees

Fees are charged in relation to enquiries made from the public and businesses in relation to Environmental searches on land and property. In particular this will relate to contaminated land enquiries and examination of historic and current information and evidence.

Current fees are set at a flat rate of £60 for all enquiries and have been maintained at this level for the past ten years. Consultation with RMBC Freedom of Information team has not revealed any consistent level of charge across the Council for such consultation work. Information from other Local Authorities has shown a range of charges for this work including:

- Doncaster – no charge
- Barnsley - £50 per hour
- Leeds – £50 flat rate to £80 per hour depending upon complexity.
- Bradford - £89.70 per hour

It is proposed that the method of charging by RMBC is altered to ensure that the fee reflects the time taken to carry out the enquiry and differentiate between straightforward consultations that take one hour to complete, and the more complex enquiries that can run into several hours of work. It is proposed that all consultations are encompassed by a fee of £60, with, where the time to respond exceeds an hour, the introduction of a £25 hourly rate for each hour (or part) thereafter.

8. Finance

Proposed fees and charges for 2014/15 meet established requirements for the setting of revenue budgets. An inflationary 2% increase (based on the Bank of England's 2% target rate) has been built into the 2014/15 budget planning, however income pressures have also been taken into account when setting the revised 14/15 income budget figures. The Consumer Prices Index (CPI) was reported at 1.6% in March, whilst the Retail Prices Index (RPI) inflation, which is calculated differently, was 2.5%.

9. Risks and Uncertainties

The Council can only set fee levels at a rate that enable it to cover the costs of providing the service.

The setting of fees in relation to Pollution Control is nationally governed and consequently the proposed freeze of fees will not take account of increased service costs or of the year on year reduction of income through industrial closures.

The level of fees and charges place a burden on local businesses and may, if set at unreasonably high level, affect economic growth and/or become subject to challenge. In the event that income budgets are not achieved, it will be necessary for services to make compensatory savings.

10. Policy and Performance Agenda Implications

The services contribute to the Corporate Plan's objectives of;

- Helping to create safe and healthy communities, and
- Improving the environment

In addition the services contribute to the Public Health priorities in particular through tackling health inequalities.

The service fits within existing strategic priorities in Rotherham. In particular the way we deliver our services directly impacts upon:

- Helping to Create Safe and Healthy Communities.
- Improving the Environment.

11. Background Papers and Consultation

Fees & Charges 2013/14

Contact Name: Mark Ford, Safer Neighbourhoods Manager
Telephone: 8254951
Email: mark.ford@rotherham.gov.uk

APPENDIX A

Fees and Charges 2014/15 (excluding VAT)

Service	2013/14(£)	2014/15 (£)
CONSULTATION FEES		
Consultation Enquiry	£60 flat rate	£60 per consultation plus £25/hour after the first hour
HOUSES IN MULTIPLE OCCUPATION		
First Application	775	790
Subsequent Applications	540	550
HOUSING ACT – Legal Notices		
Charge for the service of Enforcement Notices under the Housing Act 2004 re; <ul style="list-style-type: none"> ▪ Improvement and Suspended Improvement Notices (sections 11, 12 and 14). ▪ Prohibition and Suspended Prohibition Orders (sections 20, 21 and 23). ▪ Emergency Remedial action (section 40). ▪ Emergency Prohibition orders (section 43) and Housing Act 1985 (section 265) Demolition Orders	£400 - illustrative Charge levied per notice is variable dependant on case specifics, including but not exclusively; <ul style="list-style-type: none"> ▪ Officer time for preparation of notice ▪ Personal circumstances of the recipient The charge must be “reasonable” & may be appealed against	£400 - illustrative Charge levied per notice is variable dependant on case specifics, including but not exclusively; <ul style="list-style-type: none"> ▪ Officer time for preparation of notice ▪ Personal circumstances of the recipient The charge must be “reasonable” & may be appealed against
Works in Default Carried out as part of Statutory Enforcement Compliance		
Calculation of costs per job is calculated in compliance with Standing & Financial Regulations relating to the contracted aspects of the works with, in addition, an “administrative” element to cover arrangements around the carrying out of the works. These “administrative” costs include hourly staffing costs and travelling expenses associated in the arrangement, and supervision of the works. The re-charge will be reasonable to the works carried out.		
POLLUTION CONTROL – ENVIRONMENTAL PROTECTION ACT PROCESSES		
Application Fee	£	£
Standard process	1579	1579
Additional fee for operating without a permit	1137	1137
PVR I, SWOBs and Dry Cleaners Reduced fee activities	148	148
PVR I & II Combined	246	246
Vehicle Refinishers (VRs) and other Reduced Fee activities	346	346
Reduced fee activities additional fee for operating without a permit	68	68
Mobile screening and crushing plant	1579	1579
for the third to seventh applications	943	943
for the eighth and subsequent applications	477	477

Service	2013/14(£)	2014/15 (£)
<ul style="list-style-type: none"> ▪ Reduced Fee activities will include Powder Coating, Bitumen, Pet Food, Maggot Breeding, Polymerisation, Natural Sausage Casing, Fish Meal, Hide and Skin, Tobacco, and Mushroom Substrate process from January 2015. The period April to December 2014 will attract the full subsistence fee at a pro-rata rate; the period January to March 2015 will attract a pro-rata reduced fee rate. ▪ Where an application for any of the above is for a combined Part B and waste application, add an extra £297 to the above amounts ▪ Reduced fee activities are: service stations, vehicle refinishers, Dry Cleaners and small Waste Oil Burners under 0.4MW 		
Annual Subsistence Charge	£	£
Standard process LOW	739 (+99)*	739 (+99)*
Standard process MEDIUM	1111(+149)*	1111(+149)*
Standard process HIGH	1672 (+198)*	1672 (+198)*
Reduced fee activities Low/Medium/High	76 151 227	76 151 227
PVR I & II Combined Medium Component	108 216 326	108 216 326
Vehicle Refinishers Low/Medium/High	218 349 524	218 349 524
Odourising of natural gas Low/Medium/High	76 151 227	76 151 227
Mobile screening and crushing plant Low/Medium/High	618 989 1484	618 989 1484
for the third to seventh authorisations Low/Medium/High	368 590 884	368 590 884
for the eighth and subsequent authorisations Low/Medium/High	189 302 453	189 302 453
Late Payment Fee	50	50
<p style="text-align: center;">* the additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £99 to the above amounts</p>		
Transfer and Surrender (£)		
Standard process transfer	162	162
Standard process partial transfer	476	476
New operator at low risk reduced fee activity	75	75
Surrender: all Part B activities	0	0
Reduced fee activities*: transfer	0	0
Reduced fee activities*: partial transfer	45	45
Temporary Transfer for Mobiles (£)		
First Transfer	51	51
Repeat Transfer	10	
Repeat Following enforcement or warning	51	51
Substantial change s10 and s11 (£)		
Standard process	1005	1005

Service	2013/14(£)	2014/15 (£)
Standard process where the substantial change results in a new PPC activity	1579	1579
Reduced fee activities*	98	98
<p>* Reduced fee activities are:- Service Stations, Vehicle Refinishers, Dry Cleaners, Small Waste Oil Burners under 0.4MW, Roadstone Coating, Timber, Cement, Quarry Processes, and from 1st January 2015, Powder Coating, Bitumen, Pet Food, Maggot Breeding, Polymerisation, Natural Sausage Casing, Fish Meal, Hide and Skin, Tobacco, and Mushroom Substrate process.</p>		
Part A2		
Application	3218	3218
Additional fee for operating without a permit	1137	1137
Annual Subsistence LOW	1384	1384
Annual Subsistence MEDIUM	1541	1541
Annual Subsistence HIGH	2233	2233
Late Payment Fee		50
Substantial Variation	1309	1309
Transfer	225	225
Partial Transfer	668	668
Surrender	668	668