

<b>Committee/Meeting:</b> Cabinet	<b>Date:</b> 9 <sup>th</sup> February 2011	<b>Classification:</b> Unrestricted	<b>Report No:</b>
<b>Report of:</b>  CLC Corporate Director Stephen Halsey  <b>Originating officer(s)</b> Luke Cully, Finance Manager CLC.		<b>Title:</b>  Proposed CLC Fees & Charges 2011/12  <b>Wards Affected:</b> All	

<b>Lead Member</b>	Author to insert portfolio title(s) of relevant Lead Member(s)
<b>Community Plan Theme</b>	Author to identify Community Plan Theme(s) supported by the proposal
<b>Strategic Priority</b>	Author to insert Strategic Priority(ies) supported by the proposal

## 1. **SUMMARY**

- 1.1 Fees and charges should be reviewed annually as part of the budget setting process. The future development of the Medium Term Financial Plan will also need to take account of changes in fees and charges in broad terms over the period of the strategy.
- 1.2 This report sets out proposed changes to fees and charges for services within the Directorate of Communities, Localities and Culture. Services encompassed in this report are Parking, Pest Control and Environmental Protection, Leisure Services, Commercial Waste, Arts & Events, and Markets.
- 1.3 Cabinet on 12<sup>th</sup> January considered the General Fund Revenue Budget for 2011/12 and agreed savings proposals which impact on fees and charges levels relating to Parking, Pest Control, Leisure Services and Commercial Waste, therefore the inclusion of these services within this report is purely to formalise the relevant fee levels for these services.

## 2. **DECISIONS REQUIRED**

Cabinet is recommended to:-

- 2.1 Note the specific fee levels to be charged for fees and charges impacted upon by savings proposals agreed at Cabinet on 12<sup>th</sup> January (Parking, Pest Control, Leisure Services and Commercial Waste, as outlined in Appendices 1 to 4)

- 2.2 Agree the proposed CLC Directorate fees and charges for 2011/12 for the following services: Arts & Events, Markets, and Environmental Protection, details are summarised below.
- 2.3 **Street Trading:** No increases to current fees and charges for 2011/12; introduction of charge for pitch designation.
- 2.4 **Environmental Protection:** Inflationary increases to all current Environmental Protection fees and charges (not including SLAs); the Traveller's site pitch rental to increase above inflation.
- 2.5 **Arts & Events:** No increases to current fees and charges for 2011/12;

### **3. REASONS FOR THE DECISIONS**

- 3.1 In accordance with Financial Procedures, fees and charges should be reviewed annually across the Council.
- 3.2 This report affords Cabinet the opportunity to consider fees and charges for CLC in line with this requirement and proposes in most instances to freeze charges at 2010/11 rates and increases in line with the rate of inflation in others.

### **4. ALTERNATIVE OPTIONS**

- 4.1 The alternative is to have no changes to any fees and charges in CLC, or to adopt only some of the proposals included in this report.

### **5. BACKGROUND**

- 5.1 CLC manages a range of front line services for which a number of fees and charges are levied. As outlined in paragraph 2.1 savings proposals which impact on fee levels for a range of these services were agreed at Cabinet on 12 January 2011 and Cabinet are asked to note the fee levels to be charged for these services. (Parking, Pest Control, Leisure Services and Commercial Waste, as outlined in Appendices 1 to 4)
- 5.2 The main elements for consideration within this report are for revisions to those fees and charges for 2011/12 not considered within the General Fund Revenue Budget Report.
- 5.3 All fees and charges outlined within this report are set with a view to contributing towards the costs of providing the service.
- 5.4 A brief outline of the services for consideration by Cabinet is set out in section 6 below:-

## 6. **BODY OF REPORT**

- 6.1 **Footway and Street Markets** - Governing legislation requires fees and charges to be reviewed annually. There was no increase for the financial year of 2009/10 from those set for street trading in the previous financial year. Revised charges for use of the footway were adopted in 2009/10 and these remained unchanged for 2010/11.
- 6.2 Current trading activity within street markets is resulting in a projected surplus which will be utilised for reinvestment within markets and to offset historic deficits. If current trading activity continues, it is anticipated that the deficit will be cleared by 2012/13. Any increase to fees and charges may impact on the timeframe for reducing this deficit as it may impact on trading activity and therefore it is proposed that no increases to fees and charges are implemented for 2011/12.
- 6.3 In recent years the designation of pitches in new locations for street trading has been few and far between. The Street Market Strategy 2009 -25 and its key recommendation The Market Mile will lead to a number of separate designations, each of which has an associated cost, particularly from public notices in the media. It is recommended to introduce a non-refundable fee of £1,000 paid by the person seeking to trade on a proposed single pitch. Where there is more than one pitch involved, the Head of Markets can exercise discretion to apportion that sum equally. (Details of all Street trading fees and charges is provided in Appendix 5).
- 6.4 **Environmental Protection:** Inflationary increases are proposed for all Current Environmental Protection fees and charges, with an above inflationary increase proposed for the Traveller's site pitch rental
- 6.5 The Council owns and manages the Gypsy and Traveller site located at Eleanor Street, E3. The estate consists of 19 pitches rented to families who occupy caravans or mobile homes on the site. Each pitch also contains an amenity block building consisting of a kitchen day room, bathroom and toilet.
- 6.6 A recent benchmarking exercise confirmed that the rent charged for the site in Tower Hamlets is significantly below the market level in adjacent Boroughs:
- LB Tower Hamlets - £61.00
  - LB Hackney - £89.60
  - LB Haringey - £78.51
  - LB Redbridge £67.40, includes water rates
  - LB Southwark - £95.00 double pitch, £70.00 single pitch
- 6.7 The quality of the Tower Hamlets facility meets best practice standards in London and rental should be increased to better reflect the level of provision and contribute to the costs of the service. Increasing to £70 per week would provide an additional level of income of £9,000 which would contribute towards reducing budget pressures on repair and maintenance costs.

- 6.8 The Council has a duty as owner and manager of the site to ensure that it is safe and in a good state of repair. Failure to increase the weekly rent by the recommended amount could jeopardise the ability of the Council to meet management and fiscal responsibilities.
- 6.9 A full list of Environmental Health Protection fees and charges subject to the above proposals or inflationary increases are provided in Appendix 6.
- 6.10 **Arts & Events** - Recent benchmarking data indicates hall hire charges are slightly below the market level, any increases at this stage however are considered likely to impact on usage levels and make the venues less competitive. It is therefore not proposed to increase charges at the Brady and Kobi Nazrul centres at this stage.

## **7. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 7.1 Financial procedures specify that fees and charges should be reviewed annually as part of the budget setting process and at other times if necessary. This report sets out for Cabinet's approval the proposed CLC Directorate fees and charges for 2011/12 for the following services: Arts & Events, Markets, and Environmental Protection. In most instances proposals are for inflationary increases or freezing of charges.
- 7.2 Cabinet are also asked to note specific fee levels to be charged for fees and charges (Parking, Pest Control, Leisure Services and Commercial Waste, as outlined in Appendices 1 to 4) impacted upon by savings proposals agreed at Cabinet on 12<sup>th</sup> January.
- 7.3 Income accruing from the proposals will be included in General Fund Budget Estimates for 2011/12

## **8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 8.1 The report proposes the setting of numerous fees and charges for 2011/2012. The Council must have statutory power in order to impose any fees and charges and where such power exists the Council must comply with any relevant qualifications to those powers. There are statutory powers to support each of the proposed charges, most of which are subject to relevant qualifications. Enquiries suggest that, in each case the charges have been calculated in accordance with the Council's powers, but it will be for officers to ensure this is the case.

## **9. ONE TOWER HAMLETS CONSIDERATIONS**

- 9.1 The Council has a statutory duty under the Equality Act 2010 to protect the rights of individuals and promote equality of opportunity in the provision of services and employment. Decisions on setting fees and charges are subject to the Council's decision-making structures. Equality Impact Assessments have been undertaken for all services where fees and charges increases are

proposed and these are included within the General Fund Revenue Budget Report elsewhere on this agenda. Concessions will be available to groups or individuals in the community, where the increase may result in them being excluded from particular activities.

**10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 10.1 Restraint of parking is one of the most effective controls that local authorities have in directly affecting the impact of traffic levels on the local environment and public safety.
- 10.2 Anticipated benefits are improved safety, reduced impact of excessive numbers of parked vehicles and a reduction in environmental damage caused by vehicle exhaust pollutants and noise.
- 10.3 Other services are not deemed to have a significant impact on sustainable action for a greener environment.

**11. RISK MANAGEMENT IMPLICATIONS**

- 11.1 Proposals for increases to fees and charges support the Council's Medium Term Financial Strategy to achieve a balanced budget and will ameliorate the risk of this not being achieved.

**12. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 12.1 There are none.

**13. EFFICIENCY STATEMENT**

- 13.1 All CLC services continue to introduce and develop new working practices and systems to enhance efficiency of services which in turn maximises value to our customers. This ongoing drive for improvement should allow Members and the public to feel confident that any decision to increase fees and charges is made in the knowledge that this is absolutely necessary to the effective, fair, and sustainable delivery of a service.

**14. APPENDICES**

Appendix 1a – Existing fees and charges for Parking and related services  
Appendix 1b – Existing permit charges based on CO2 Emissions / Engine  
Appendix 2 – Pest Control proposed charges compared to other boroughs  
Appendix 3 – Leisure proposed charges  
Appendix 4 – Commercial Waste charges  
Appendix 5 – Street Trading and Footways  
Appendix 6 – Environmental Health Protection other fees and charges

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**Local Government Act, 1972 Section 100D (As amended)**  
**List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
Financial Information Equality Impact Assessments	F Luke Cully ext. 5221 Lisa Pottinger (Leisure)ext 3157 John Chilton (Parking) ext 6999 Simon Baxter (Comm Waste) ext 4422 David Farrell (Environ Control) ext 6896