

Addendum to Executive Agenda Responses to questions from Councillors

Item 3 - Fees and Charges

1. Rec 2.2 & App B

1.1 To understand the context and compare the rates, what are the current main rates charged to normal pool and gym users currently charged by Everyone Active (EA) and how do they compare to those charged in the two years prior to EA taking over management of the facilities?

- season tickets including/excluding gym

Season Tickets (offered previously by WDC) are not offered by EA (and were not required by the contract) and therefore the rates are not comparable with current Annual payments or Direct Debit.

Gym-only memberships are not offered by EA in line with other competitors in the District.

-Normal adult entry tickets for swimming, gym etc.

On benchmarking other providers in the area it was found that EA offer more services at a lower cost.

*- Adult entry for swimming - £4.70 EA 2018 - Cost was £4.60 in 2017 as price was held at 2016 fee due to centres temporarily closing. 2016 fee plus 2% =£4.70
Adult entry for gym - £5.80 EA 2018 - Cost was £5.60 in 2017 as price was held at 2016 fee due to closing. 2016 fee plus 2% =£5.70*

1.2 The majority of working age benefits are frozen at their 2015/6 level for four years by the introduction of a Benefit Cap. What is the rationale for proposing any increase in the Core Service charges which will fall mainly on those dependent on Benefits?

EA's contract states that WDC have control over core prices which include some of these as well as swimming lessons, school swimming lessons and GP referrals. Under the terms of the contract, these prices can go up by RPI but are not agreed until October. Some EA concessionary fees were less than WDC 2016 fees.

2. Para 15.2.1 if the statement about season tickets is correct, why is the projected income for this year and next (15.1.1) lower than last year?

2017/18 Season Ticket income exceeded expectations, however with the closure of Covent Garden Car Park, a prudent income estimate was used for 2019/20, in case the disruption caused a reduction in the purchase of Season Tickets. The situation will be monitored closely and if the income estimate is materially too low (or high), it will be revised in 2019/20 as part of next year's Fees & Charges process, with the Executive then being informed of any additional (or reduced) income.

3. App A2 Why is there no across the board inflation increase here?

The main income generating fees, in this area, have increased by 2.6% (apologies for missing out the % increase – 2.6%- for Numbering of New Development). The fees

which did not receive an increase are felt to be at an appropriate and reasonable level. Income has increased significantly (tripled) since 2010.

4. App A3 What are the main reasons for the shortfall in Town Hall & Lillington incomes compared with latest estimates? In the Town Hall is it in private non-commercial, commercial or voluntary bookings?

The long standing Nursery that had operated at Lillington Library ceased trading last year. A new nursery started in September, therefore there was no income for the first 6 months of 2018/19. The projected income reflects this. It is hoped that, given a period of building their business, income from this asset will increase in the months/years to come.

Town Hall income budget was overestimated due to the double counting of income from the local MP (error in the MTFS).

5. App A11 Why increases lower than inflation?

This was based on the advice from the budget manager, this is an extremely low volume area and the inflationary increase would only generate a minor amount extra. However, Councillor concern has been noted and it will be acted upon when the 2020/21 charges are set (also Appendix A11 should say proposed charge from 2/1/19 not 2/1/18)

6. App A12 Why increases higher than inflation? Why expected spike in income 19/20?

Lillington Old Library has a new nursery starting in September. The income in 2018/19 reflects this as the old childcare provider finished (leaving a gap) and the new one will need to build trade. The income for 2019/20 reflects a full year provision. Although the charges have increased higher than inflation, they are still considered to be fair, when compared to other locations in the area.

7. App A13/14 Are the charges for students and those on UB/IS being frozen in line with their Benefits/income?

Concession prices (see App B) are part of the Core prices being fixed by WDC. In addition to these prices, EA offer a youth gym for £15 per month which is very competitive and wasn't an option with WDC.

Where the charges are free, they will remain the same. The 'other concessions' prices will increase by the inflation rate appropriate to that activity.

8. App A21 Why is there no inflation increase applied?

Government advice about pre-application requires local planning authorities, who opt to charge for certain pre-application services, to provide clear information about the cost of providing the service. It is felt that the cost of providing the service does not justify an increase in the fees.

9. App A26/27 - Events charges - are these also not planned to rise with inflation - some seem to be falling - and if so why?

Earlier in the year, a report on Events was presented to the Executive, detailing a strategy for charging in the Council's parks and open spaces, with Development taking over some responsibilities from Culture. The strategy was to encourage enhanced usage of these spaces to encourage visitors to Warwick District. An income adjustment of £3k was agreed to be incorporated into the MTFS. The recent events e.g. Art in the Park and the Leamington Food Festival have generated significant footfall (and income) in the town, with the Council's car parks being particularly well used during those events.

10. App A32/33 Some substantial increases for trading licences planned - could we have some more background on this....and why the abrupt fall in 18/19....did we over-reduce the charges for the current year?

Some scrap metal licences have reduced due to processing improvements, however some of the trading licences increases are due to the drop in number of applications. The fee charged for those licences must cover the cost to the council of processing that application. Some costs are fixed and, with a drop in the number of applications, they will have to be spread over a smaller number i.e. each licence gets a bigger share of the fixed costs.

Income from the Sex Establishments (A33) has reduced due to less work needed to process the application as well as the reduced number of representations from members of the public, about the venue.

11. App A35 what is rationale for inflation increases in charges to those on frozen Benefits?

The rationale for the fee is that it is (roughly) half the full amount, as has been the case for many years.

12. App A37 - some background on these would be welcome - why the mostly flat charges and above all why the very sharp reduction in latest estimate/next year overall income?

Regulations for these licences will change on 1 October - which will impact licences such as Animal boarding, breeding, pet shops, riding establishments. These regulations mean that new fee structures have to be introduced.

The reduction in income was caused by an error by Accountancy on income – it should be inflated by £8.4k for both 2018/19 and 2019/20 and will be at a similar level to 2018/19, App A38 should read £11,100 and £11,200 for latest 18/19 and estimate 19/20. (Apologies for this).

13. App A39 What is the Immigration Inspection Fee?

The property inspection is often required for Immigration Application (visa) purposes to evidence the property is legitimate, hazard free and safe for the number of occupiers. We charge for this as it is a non-statutory function. It is typically for family re-unifications.

We request and verify various documents relating to safety and to prove legal interest. An Environmental Health Officer will schedule an inspection of the property to check for any safety issues, measure the rooms to calculate the maximum number of occupiers and consider any overcrowding issues. They will then produce a legal standard letter which will be used for the visa application with the Home Office.

Further information can be found [here](#).

There is some emerging case law in respect of HMO licensing if you are reviewing charges tomorrow. We are awaiting some legal advice and to see if there is a challenge to the case law created by Gaskin vs LB Richmond which means charging an upfront cost for HMO licensing may be unlawful.

The Gaskin vs LB Richmond case created a precedent which, the Local Government Association has confirmed, will be the subject of an update to its guidance on locally set fees.

There will also be an Addendum to the Fees & Charges which relates to Parking Services adding the commuter tariff (proposed for Bath Place) to the list of charges that will apply to Archery Road.