



# REPORT TO EXECUTIVE

## PORTFOLIO AREA: LOCAL ENVIRONMENT

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Date of Meeting: 22 November 2010

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Public

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Key Decision: Yes

Recorded in Forward Plan: Yes

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Inside Policy Framework

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Title: REVIEW OF CHARGES 2011/2012 – LOCAL ENVIRONMENT

Report of: THE ASSISTANT DIRECTOR (LOCAL ENVIRONMENT)

Report reference: CS 28/10

### Summary:

This report sets out the proposed fees and charges for 2011/12 relating to those services falling within the responsibility of the Local Environment Directorate.

### Recommendations:

The Executive is asked to agree the charges as set out in the body of the report and relevant appendices with effect from 1<sup>st</sup> April 2011 noting the impact these will have on income generation as detailed within the report.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. BACKGROUND INFORMATION AND OPTIONS**

- 1.1 Each Directorate is required to carry out an annual review of fees and charges.
- 1.2 This report proposes the review of charges within the Local Environment Directorate and covers City Centre usage by external organisations, Car Parking, Allotments, Sports Pitches Environmental Quality, Food Safety, Waste Services and Bereavement Services. The report has been prepared in accordance with the principles approved under the Council's Corporate Charging Policy.
- 1.3 The charges, which have been reviewed, are addressed separately below.
- 1.4 Attached at Appendices A and B are extracts from the summary of charges book, which shows the current and proposed level of charge for those services.

## **2. CORPORATE CHARGING POLICY 2011/12 TO 2015/16**

- 2.1 The Corporate Charging Policy, which is part of the Strategic Financial Framework, was approved by the Executive on 2<sup>nd</sup> September 2010 and Full Council on 14<sup>th</sup> September 2010, sets out the City Council's policy for reviewing charges over the 5 year period 2011/12 to 2015/16. The principal objective(s) of setting the charge are:-
  - Recovering the cost of service provision
  - Generate Surplus Income (where permitted)
  - Maintain existing service provision
  - Fund service improvements or introduction of new services(s)
  - Manage demand for service(s)
  - Promote access to services for low-income households
  - Promote equity or fairness
  - Achieve wider strategic policy objectives (e.g. encouraging Green Policies)
- 2.2 The MTFP currently assumes an overall income target for the financial year 2011/12 reflecting an increase of 3.8% on 2010/11 budgets. For income generated in Local Environment, this equates to an increase of £97,000 on 2010/11 budgets.
- 2.3 In addition, the policy recognises that each Directorate is different, and requires Directors to develop specific principles for their particular service or clients groups, but within the parameters of the main principles of the Council's Corporate Charging Policy which is set out in full in Appendix C

### 3. HIGHWAYS SERVICES

#### 3.1 CITY CENTRE

3.1.1 The Council exercises its powers, set out in Section 115 of the Highways Act, to charge reasonable expenses for events and activities undertaken in the pedestrianised area of the City Centre. At the present time the income generated is partly used to contribute to the cost of entertainment, events and activities arranged in that area whilst also serving to reduce the overall costs to the Council of managing the City Centre.

3.1.2 The charges approved in 2009/10 represented a significant increase to those adopted for previous years and there was a favourable overall impact on the income levels achieved in that year which greatly benefitted from a large scale commercial promotions particularly from Sky taking advantage of the introduction of Digital services within Cumbria.. Charge levels for 2010/11 were maintained at the same level in recognition that the demand for commercial promotions was likely to reduce and whilst this has proved to be the case with a significant fall in overall income, the current base budget of £14,000 is currently being exceeded. This is mainly due to a continued level of revenue from Sky but usage is now declining. In view of the current economic climate it is proposed to retain the current charge levels for 2011/12 to help maintain demand.

3.1.3 The proposed charges for 2011/12 are as follows:-

	Current Charge	Proposed Charge 2011/12
Charities, education and public information events	No charge	No charge
Large Markets	£900/day	£900/day
Large Commercial Promotions	£200/day	£200/day
Small Commercial Promotions	£60/day	£60/day
Large Children's Ride	£80/day	£80/day
Small Children's Ride	£50/day	£50/day

## 3.2 CAR PARKING

3.2.1 Income generated from car parking had been consistently lower than the level budgeted for a number of years and the annual budget was reduced in 2009/10 to represent a more realistic target that reflected falling demand. The forecast levels for 2010/11 were reduced further by a sum of £212,000 in anticipation of the closure of the Viaduct car parks and the non-achievement of the Green Travel Plan (i.e. in respect of staff charges for the use of Swifts Bank Car Park which failed to come to fruition). The net overall car park income target for 2010/11 is £1,182,600 taking account of these reductions. Actual income for the six month period April to September 2010 amounted to £695,400 compared to a profiled projection of £659,800.

3.2.2 The relevant figures may be sub-analysed as follows:

	Budget April-Sept 2010 £	Actual Income April-Sept 2010 £
Contract Parking Fees	130,800	105,600
Car Park Penalty Charges	37,500	35,200
Ticket Sales	491,500	556,600
Other	0	(2,000)
<b>TOTAL</b>	<b>659,800</b>	<b>695,400</b>

3.2.3 Contract Parking fees are substantially collected annually in advance and budgets are profiled accordingly. Up to September 2010 a sum of £105,600 had been collected which would amount to a shortfall of £ 25,200 on the full 12 month budget of £130,800. Whilst there are a small number of customers paying on a quarterly basis, it is currently anticipated that there will be a year end shortfall of up to £25,000 in 2010/11. Analysis of sales in recent years has revealed that the Council is now substantially maintaining its income base with public sector organisations and private sector companies with the exception of The University. Applications from members of the public, who cannot of course claim back the VAT element of the total charge are in decline.

3.2.4 Whilst income from Car parking penalty charge tickets reflected an apparent £2k shortfall over the first 6 months of operations in 2010/11, it is anticipated that the 12 month budget of £75,000 will be achieved given the level of activity over the Christmas/New Year period.

3.2.5 In overall terms, car park ticket sales were £65,100 up on the profiled budget for the 6 months to September 2010. This equates to a favourable variance of 13.2% which would be expected given that the Viaduct Car Parks have remained open for business. The variance can be sub-analysed as follows:

<b>CAR PARK</b>	<b>BUDGET APRIL-SEPT 2010 £</b>	<b>ACTUAL INCOME APRIL-SEPT 2010 £</b>	<b>VARIATION</b>
Bitts Park	27,690	32,793	+18.4%
Cecil Street	40,280	28,232	-29.9%
Civic Centre	56,735	62,335	+9.8%
Devonshire Walk	30,993	34,241	+10.5%
Lower Viaduct	25,626	61,159	+138.7%
Paddys Market	2,391	3,530	+47.6%
Sands	98,663	78,387	-20.5%
Shaddongate	1,901	1,756	-7.6%
Swifts	1,351	1,155	-14.5%
Town Dyke	175,290	163,808	-6.5%
Upper Viaduct	30,534	89,224	+192.2%
<b>TOTAL</b>	<b>491,453</b>	<b>556,620</b>	<b>+13.2%</b>

3.2.6 On the basis of the figures to date, the full year out-turn for all income streams is likely to be in the region £1,250,000 given the introduction of a 20% rate of VAT with effect from 1/1/11 (and assuming no interim increase in charging rates) and given the loss of the Shaddongate Car Park to the development of the Community Resource Centre.

3.2.7 In compliance with the Council's current charging policy and the MTFP expectation which takes account of all City Council Car Parks being in use during 2011/12, the overall income budget for Car Parking should be £1,310,500. This sum includes a recurring additional budget adjustment of £80,000 relating to a return to the full

utilisation of the Viaduct Car Parks. Therefore utilising a current base figure of say £1,250,000, additional net income (i.e. after accounting for the impact of the increase in VAT) needs to be in the region of £60,000. Taking into account current usage trends the following menu of charging options is presented to members in respect of :

### 3.2.8 **Short Stay Car Park Charges**

**It is recommended that** short stay charges are increased by 10p to an hourly rate of £1.00 on charges for up to 4 hours which will include the increase in VAT from 17.5% to 20%. The existing £10.00 charge for stays of between 4 and 9.5 hours would be held at the current rate of £10.

This would generate an estimated increase in net income of **£52,000** taking into account that some drivers will decline to pay the increase and will park elsewhere and it also allows for those drivers without appropriate change who already pay £1.00.

In considering the above recommendation, it is worthy of note that private car parks in the City have the following current rates compared to the City Council's 90p per hour rate.

- The pay on foot Lanes Car Park charges exactly the same 90p per hour rate that the City Council currently charges up to a duration of 4 hours. The current difference is that whilst the City Council has a uniform daily charge for a stay over 4 hours of £10, the Lanes has differential charging rates of £7 for a stay of 4 to 6 hours, £10 for 6 to 12 hours and £20 for 12 to 24 hours.
- The pay and display Peter Street Car situated within 150 yards of the Civic Centre currently has marginally lower tariffs of 80p per hour for up to 2 hours, a further 60p per hour for the next 2 hours and a flat £4 for a stay of 4 to 9 hours.
- The Iceland car park operated by MCP operates a simplistic charging system of £1.70 for the first 2 hours equating to 85p per hour, £3 for up to 4 hours at a rate of 75p per hour and then a flat £5 rate for any duration of over 4 hours.

- The Tesco pay on foot car park has the lowest rates of the conventional short stay town centre car parks with a tariff of only 70p for the first hour, £1.20 for up to 2 hours, £1.70 for 2/3 hours, £2.80 for 3/4 hours but £6.20 for a stay of over 4 hours.

It is apparent that whilst each car park operator has its own reasons for the variety of differing tariffs, the overall structure of the charging regime adopted is probably one of maximisation of income and based substantially on the City Council's charging policy.

### **3.2.8 Long Stay Car Park Charges**

**It is recommended that** long stay charges by are increased by 10p to an hourly rate of 90p. This would maintain the differential between short stay and long stay charging and will be an incentive for commuters and all day parkers to make more use of these car parks.

This would generate an estimated increase in net income of **£59,000** taking into account that some drivers will decline to pay the increase and will park elsewhere.

In giving consideration to the options outlined above it is worthy of note that the Railway Station currently has an all day rate of £8 at peak times ( i. e. Monday to Friday up to 10.00 am) and £4 off peak (i.e. Monday to Friday after 10.00 am and weekends/bank holidays). Mary Street Car Park has a flat charge rate of £5 for all day car parking.

**It is further recommended** that the short stay area of the Sands car park is changed to long stay in line with the rest of the car park. The existing arrangements can appear confusing and the short stay area is little used.

This will not generate any additional income but will bring uniformity to the car park.

This option would generate an estimated net reduction in income of **£1,000**.

**It is further recommended** that the Upper Viaduct car park is changed from a long stay car park into a short stay car park. Examination of existing usage shows only 1% of drivers staying for more than 4 hours and based on usage statistics in current

short stay car parks the estimated extra income would be **£38,000** utilising the recommended £1 per hour rate indicated in paragraph 3.2.8.

### 3.2.10 Contract Parking Charges

**It is recommended** that whilst it is proposed that long stay charges increase by 10p, the contract parking charge is increase only to reflect the change in the rate of VAT from 17.5% to 20%. The proposed charges are:

Monday to Friday Permit	£780
Monday to Saturday Permit	£900

This option would serve to greatly increase the discount on offer between the season ticket price, which will remain static for organisations that claim VAT and would only marginally increase for individual members of the public and organisations that cannot reclaim VAT, and will hopefully help to stop or stem the reducing level of demand experienced in recent years. It is hoped and anticipated that this option would result in a **neutral overall financial impact**.

In giving consideration to the options above, it is worthy of note that there are alternative contract parking options in the City Centre area. Spaces are available on permit holders only car parks in the prime locations of Castle Street and Fisher with designated spaces at a current charge rate of £1,527 including VAT. This price covers full usage of the facility 7 days per week for any vehicle displaying the permit. The Virgin Car Park at the station charges £980 including VAT for an annual permit. It is understood that the permit issued also gives the holder the use of the facility 7 days per week.

Should members choose to follow the above recommendations then the estimated additional net income would amount to £148,000 as summarised in the table below:

	<b>PROPOSAL</b>	<b>ESTIMATED ADDITIONAL/(LOST INCOME)</b>
1.	<b>Short Stay Car Park Charges to be increased from 90p to £1 per hour.</b>	<b>£52,000</b>
2.	<b>Long Stay Car Park Charges to be increased from 80p to 90p per hour</b>	<b>£59,000</b>
3.	<b>The short stay area of the Sands Car Park to revert to long stay.</b>	<b>£1,000 (Loss)</b>
4.	<b>The Upper Viaduct Car Park to revert from Long Stay to Short Stay</b>	<b>£38,000</b>
5.	<b>Contract Parking charges to be increased in line with 2.5% VAT uplift</b>	<b>Neutral</b>
	<b>TOTAL</b>	<b>£148,000</b>

3.2.16 Should members choose to follow officer recommendations, then the following charge rates would be introduced with effect from 1/4/2011 meaning that car park users are shielded from the January 2011 VAT uplift for a period of 3 months. The burden of the additional 2.5% uplift equating to around £7,000 would fall to be met by the Council over that period..

## **SHORT STAY**

	2010/11 (Existing)	2011/12 (Proposed)
Up to 1 Hour	90p	£1.00
1 - 2 Hours	£1.80	£2.00
2 – 3 Hours	£2.70	£3.00
3 – 4 Hours	£3.60	£4.00
4 – 9.5 Hours	£10.00	£10.00

## LONG STAY

	2010/11 (Existing)	2011/12 (Proposed)
Up to 1 Hour	80p	£0.90
1 - 2 Hours	£1.60	£1.80
2 – 3 Hours	£2.40	£2.70
3 – 4 Hours	£3.20	£3.60
4 – 9.5 Hours	£4.80	£5.40

In overall terms, should members agree with all officer recommendations for future car park charge levels then on a current overall base income level of £1,250,000 the estimated increase of £148,000 would yield £1,398,000 in 2011/12.

### 3.2.17 Talkin Tarn Car Park

The Council last changed the charging regime at Talkin Tarn with effect from June 2009. The current charge levels are

£1.00 for a day including bank holidays

£30 per year for an annual permit

The income from car parking is an important income stream for Talkin Tarn and supports the revenue costs of the facility. In 2009/10 the car park generated income of £24,000 and in the 6 month period April- September 2010, £18,000 of income was generated (much of it from annual permits) as against a full year MTFP target of £9,000.

It is proposed to retain the current parking charges at Talkin Tarn for 2011/12

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## 3.3 ALLOTMENTS

3.3.17 The Council currently has 843 allotments of which 63 or 7.5% are vacant. The majority of the vacant plots are however located on derelict unused sites awaiting development.

3.3.18 Charge levels were held in 2010/11 but increases are proposed this year to help meet the MTFP expectation and to narrow the gap between income levels and the

direct costs of maintaining, managing and administering the service and utility charges for metered water.

The proposed charges are as follows:-

	<u>Existing Charge</u> <u>2009/10</u>	<u>Proposed Charge</u> <u>2010/11</u>
Rental	18p/m2	21p/m2
Water supply	£9.00/year	£9.50/year.

3.3.19 Individuals in receipt of a state pension currently receive a 50% discount on the allotment rental but not the water supply charge and approximately 40% of existing holders fall into this category. There is a further 10% discount to tenants associations which run 6 sites in the City. These sites incorporate approximately 250 plots which equates to 30% of all holdings. It is proposed that these policies stay in place.

### 3.4 SPORTS PITCHES

3.4.17 The Council charges for sports pitches are kept substantially in line with those adopted by Carlisle Leisure Ltd. The proposed increases in charges for football and rugby pitches which are in accordance with the MTFP target are as follows:-

	<b>Existing Charge</b> <b>2010/11</b>	<b>Proposed Charge</b> <b>2011/12</b>
Senior Clubs/match	£45.00	£48.00
Junior Clubs/match	£20.00	£22.00
 <u>Pitch and Accommodation/Season*</u>		
Senior Clubs	£452.00	£480.00
Junior Clubs	£142.00	£148.00
*Includes use of showers, changing facilities and training room if available		
 <u>Pitch Only/Season</u>		
Senior Clubs	£174.00	£185.00
Junior Clubs	£48.00	£50.00

### 3.5 ENVIRONMENTAL QUALITY

3.5.17 The charges within the Environmental Quality function are diverse and in some instances the limits are fixed by legislation. The proposed charges are set out in Appendix A. Commentary on each area is set out in subsequent paragraphs.

#### 3.5.18 Pest Control Charges

Over the past two years or so it has become extremely difficult to achieve income targets in this area. The reasons for this are a combination of greater use of proprietary treatments sold to the public, a changed approach by Riverside Housing to pest control passing some additional responsibility directly to tenants many of whom utilise other organisations and other market forces. The income budget for 2011/12 has been adjusted accordingly to take account of the current situation and the significant shortfall in the ongoing MTFP target will need be to compensated for by corresponding cost savings in the pest control account, additional income elsewhere within Local Environment or a budget pressure bid. In terms of 2011/12, it is proposed to increase charges in line with the 3.8% MTFP target retaining the 50% reduction in charges for senior citizens and a continuation in the provision of a free service for the control of rats in domestic premises.

#### 3.5.3 Clean Neighbourhoods & Environment Act – Fixed Penalty Charges

It is proposed that the fixed penalty notice for offences under the Clean Neighbourhood & Environment Act are maintained for all Fixed Penalty Notices as follows:-

	<b>Current Charge 2010/11</b>	<b>Proposed Charge 2011/12</b>
Dog Fouling, Fly Posting, Graffiti, Dogs on Lead	£80.00	£80.00
Waste Receptacles	£110.00	£110.00

#### 3.5.4 Environmental Protection Act 1990

Litter Fixed Penalty notices - no change

£80.00

### **3.5.5 Environmental Protection Act – LAPPC Charges**

The charges for the Local Authority Pollution Prevention and Control (LAPPC) regime are set nationally. The figures provisionally notified for 2011/12 are incorporated within Appendix A. It should be noted that the provisional uplifted amounts are significantly below the 3.8% MTFP Target and any eventual shortfall will need to be offset by reduced expenditure.

### **3.5.6 Public Health and Miscellaneous Licences**

It is proposed to increase charges in 2011/12 in line with overall MTFP expectation. The charge levels proposed are incorporated within Appendix A.

### **3.5.7 Private Water Supply Sampling**

The charges for private water supply sampling analysis will vary depending on the supplies risk assessment. All monitoring/analysis costs will be the price will be at the price charged by the laboratory which the Council will recover. The analysis costs are currently;

Bacteriological only	£12.20
Check Monitoring	£42.20
Audit Monitoring (maximum)	£435.00

Plus each visit will incur a sampling charge. If a risk assessment, or another investigation is carried out or an authorisation granted there are additional charges as follows:-

Sampling (each visit)	£80
Risk Assessment	£100
Other investigations (each investigation)	£100
Granting an authorisation (each authorisation)	£50

### **3.5.8 Contaminated Land & Information Requests**

Charges for the investigation and supply of information relating to land conditions or environmental issues are to remain at £50 minimum charge plus £50 per hour thereafter. However an additional charge will be made to recover the cost of the photocopying of documents at a level of 10p per A4 sheet.

### **3.5.9 Dog Warden Service**

The Council administers a charge to the owners of stray dogs at the point of recovery from the kennels. This is to contribute to administration costs incurred in providing the service. It is proposed to maintain this at the current rate of £30.

### **3.6 FOOD SAFETY**

3.6.1 The proposed charges for 2011/12 have been uplifted in accordance with the charging policy and are included in Appendix A.

### **3.7 BULKY WASTE/SPECIAL COLLECTIONS**

3.7.1 At its meeting on 18<sup>TH</sup> December 2008, the Executive agreed to the introduction of charges for the collection of bulky household waste. A new charging policy was subsequently introduced in April 2009 with certain less bulky items including dining chairs, prams, smaller electrical items, bathroom cupboards remaining free of charge, subject to a maximum number of collections per household per year. A charge of £15 was introduced for the collection of other bulky household waste items like beds, furniture, white goods etc with a maximum of five items per collection and there is also a current charge for items classified as “fixtures and fittings”. These charges range from £10 for a door or a kitchen unit to £15 for a gate or window and £25 for a fire, boiler or hot water tank.

3.7.2. The above system has now been in place for over 18 months. Whilst the majority of requests for bulky waste collections are currently received by telephone at the Customer Contact Centre and this facility would continue, it is also proposed that in future requests can also be taken via the Council’s website. To enable the Council to fully realise the potential efficiencies from a web based service, it is proposed that a simplified charging system is introduced whereby the collection charges currently applied to a limited range of bulky household items is extended and that a uniform charge of £15 is applied to all bulky household items collected by the Council.

3.7.3. Against budgeted income of £60,000 in 2009/10, the actual figure realised was £54,900. This sum emanated from an operational service which made 3,780 special collections, 3035 of which were chargeable and 745 were free collections. Due to a range of external factors (e.g. the increased activity of “scrap” collectors and the wider economic situation) the demand for the service has decreased further and resources utilised in the provision of this service have been reduced accordingly. It is projected that the introduction of a standard charge of £15 will generate income of £45,000 in 2011/12 and facilitate easier public access to the service via the Council’s web-site thus decreasing the administrative burden.

3.7.4. The anticipated increase in income emanating from the unified charging system outlined above would help serve to meet the likely current budget shortfall and meet MTFP income growth expectation for the coming year. The remaining shortfall of around £20,000 will need to be compensated for via cost reductions within Waste Services emanating from the reduced resource levels utilised, additional income elsewhere within Local Environment or a budget pressure bid. In terms of 2011/12,. It is therefore recommended that the uniform charge of £15 per collection is introduced with effect from 1/4/2011.

### **3.8 PURPLE SACKS**

3.8.1 At the present time the Council provides purple sacks to approximately 5,800 properties that are not deemed to be suitable for wheeled bin collections. This policy which has direct costs of around £30,000 per annum for the bags plus the costs of actually delivering these sacks every 4 weeks is currently under review and will be considered under savings proposals. Should the decision be to stop the free issue of these sacks then are 2 options. The first option would be to introduce a charge and provide a pick up facility in the Civic Centre given that a delivery service would not be viable. If this option were to be considered then an appropriate charge taking into account both the cost of the bags and the administrative cost would be 10p. At this price, it is likely that the majority of relevant householders would simply buy cheaper black bags whilst shopping.

3.8.2. The recommended option is that the Council would not stock and sell such sacks in the event that the current purple bag scheme is discontinued.

## **4 BEREAVEMENT SERVICES**

4.2 The high quality of service provided by the Council has been recognised by numerous national awards over recent years. These commendable standards have also been achieved with Bereavement Services managing to meet its financial target of breaking even when looking in overall terms at the 2008/09 and 2009/10 out-turn results. These results have been achieved partly as a result of increasing charges to appropriate market levels but whilst also making cost efficiencies.

4.3 The 2010/11 income budgets for the Cemeteries and Crematorium are £255,100 and £813,000 respectively amounting to £1,068,100 in total. This sum actually took

account of a £60,000 reduction in real terms from the previous year to reflect a realistic projection taking into account falling death rates. On the basis of overall revenue achieved during the first 6 months of 2010/11, it would appear that the above target is likely to be achieved..

- 4.4 In terms of 2011/12 the proposed charging profile is substantially based on uplifting current prices to reflect VAT where appropriate and by increasing charges to facilitate the MTFP expectation. The overall ongoing income base however will be partly diminished by the deletion of certain revenue streams which stem from the impending reorganisation of the staffing structure within Bereavement Services as a result of the general restructure of the Local Environment D.M.T. which involves the deletion of the post of Bereavement Services Manager as part of the transformation process. As a result, there will be no future capacity for conducting the humanist funeral services currently undertaken by that officer which brought in revenue of around £5,000 per annum. It has also been proposed that Bereavement Services ceases the sale of coffins when current stocks run out. In 2009/10 coffins sales generated gross income of £2,500 which netted down to only £600 after taking out costs. Out of 157 environmental cremations, the sale of only 14 coffins by Bereavement Services reflects that funeral directors increasingly source coffins themselves and are probably better placed to do so. There is therefore no advantage to the customer or meaningful financial reason for the Council to continue to buy, stock or administer the sale of coffins. In overall terms it is currently estimated that Bereavement Services will have a shortfall of net revenue income of around £18,500 when compared to the MTFP target in 2011/12 which needs to be met via cost reductions within Bereavement Services, additional income elsewhere within Local Environment or a budget pressure bid.
- 4.5 The detailed charging proposals for 2011/12 are shown in Appendix B which include the introduction of a new environmental surcharge adding £50 to the cost of a cremation. In 2008, the Council expended £750,000 to replace cremators and install equipment to filter and remove mercury from combustion gases. This was done mainly in response to impending Pollution Prevention and Control regulations designed to reduce mercury emissions by 50%. The Environmental Surcharge will be required to set aside monies for the future upgrade or replacement of our existing cremators and mercury abatement plant (equipment has a life span of approximately 15 years). Legislation states that those crematoria who are going to abate must do so by 2013 and those not will have to join the CAMEO (Crematoria Abatement of Mercury Emissions Organisation) burden sharing. This means that those not having abatement equipment installed must pay CAMEO a fee for every cremation they undertake. This fee has been set at £45 per cremation and takes into account the

cost of the equipment, maintenance, re-agent, servicing etc plus the cost of borrowing over 15 years. From 2013 the money collected through CAMEO should then be divided on an annual basis by the total number of cremations for the country and then shared out to those crematoria who are carrying out abatement of 50% or more. Therefore a £50 environmental surcharge is in line with the national CAMEO scheme and an overall fee of £600 for an adult cremation as proposed is likely to be in line with charges levied by other local providers in 2011/12 given that Disington currently charge £596 for residents and £696 for non-residents and Dumfries currently charge £550.

## 5 SUMMARY OF INCOME GENERATED

5.1 The 2010/11 revised and 2011/12 forecast income levels based upon the current charge structure and forecast volume are as follows:-

<b>Service Area</b>	<b>Original Estimate 2010/11 £</b>	<b>MTFP Target 2011/12 £</b>	<b>Original Estimate 2011/12 £</b>	<b>Increase/ (Decrease) %</b>
City Centre	14,000	14,500	15,000	7.1
Environmental Protection	2,100	2,200	2,400	14.3
Env Protection Act	27,000	28,000	25,000	-7.4
Dog Policy	11,300	11,700	6,500	-42.5
Pest Control	66,900	69,500	30,000	-55.2
Food	2,200	2,300	2,300	4.5
Bereavement Services	1,068,100	1,108,500	1,090,000	2.1
Allotments	23,400	24,300	24,300	3.8
Bulky Waste Collections	62,300	64,700	45,000	-27.8
Sports Pitches	11,400	11,800	10,000	-12.3
Car Parking	1,262,600	1,310,500	1,398,000	10.7
<b>Total</b>	<b>2,551,300</b>	<b>2,648,000</b>	<b>2,648,500</b>	
Talkin Tarn Car Park	9,000	9,300	30,000	
	<b>2,560,300</b>	<b>2,657,300</b>	<b>2,678,500</b>	

- 5.2 With the exception of Talkin Tarn, acceptance of the charges highlighted within this report will result in an anticipated level of income of £2,648,500 against the MTFP target of £2,648,000 in 2011/12. This represents a minor surplus of £500 against the MTFP target.

The income in respect of Talkin Tarn Car Parking charges is ring fenced within the overall business plan for the facility. Excluding Talkin Tarn, members should note that the Corporate Charging Policy assumes an increase of 3.8% for 2011/12 which for all services (including car parking) falling under the responsibility of Local Environment an overall income expectation of £2,648,000. Based upon the options presented to Members for car parking, which are based on current usage levels, overall income projections range from £1,250,000 to £1,398,000 against the 2010/11 MTFP target of £1,310,500.

## **6 CONSULTATION**

- 6.1 Consultation to Date -  
SMT  
JMT

- 6.2 Consultation proposed –  
Overview and Scrutiny as part of the 2011/12 budget process.

## **7 RECOMMENDATIONS**

The Executive is asked to agree the charges as set out in the body of the report and relevant Appendices with effect from 1<sup>st</sup> April 2011 noting the impact these will have on income generation as detailed within the report.

## **8 REASONS FOR RECOMMENDATIONS**

To ensure the City Council's Corporate Charging Policy is complied with.

## **9 IMPLICATIONS**

- Staffing/Resources – N/A
- Financial – see Section 5
- Legal – N/A

- Corporate – The report reflects the Council's Charging Policy and recognises the MTFP requirements.
- Risk Management – The income forecasts and charging proposals reflect the current market climate and known issues which could impact on income levels in 2011/12.
- Equality and Disability – N/A
- Environmental – N/A
- Crime and Disorder – N/A
- Impact on Customers – N/A
- Equality and Diversity –
- 

## Impact assessments

### Does the change have an impact on the following?

Assessment	Impact Yes/No?	Is the impact positive or negative?
<b>Equality Impact Screening</b> Does the policy/service impact on the following?		
Age	Yes	Positive & negative
Disability	Yes	Negative
Race	Yes	Negative
Gender/ Transgender	Yes	Negative
Sexual Orientation	Yes	Negative
Religion or belief	Yes	Negative
Human Rights	Yes	Negative
Social exclusion	Yes	Positive and negative
Health inequalities	No	
Rurality	Yes	Negative

### If you consider there is either no impact or no negative impact, please give reasons:

- 3.3 *Allotments: There is no change to how concessions are applied. The application form is used to assess eligibility and proof of age is part of the application process. Applicants under pensionable age who have retired on the grounds of ill health can also receive the concession.*
- 3.4 *Pest Control: There is no change to how concessions are applied. 50% concession is applied to senior citizens and those in receipt of high rate disability living allowance.*
- 3.7 *Bulky waste: Collection requests to be encouraged via the website, however, telephone and face to face requests can still be made via the contact centre for those without internet access.*

- 3.8 *Purple Sacks: The 5,800 properties currently on sack collections will be re-assessed for a wheeled bin collection to mitigate the number of properties who would no longer get purple sacks. It is possible that all the remaining households would view this as unfair, however it is not unfair to any particular group. Many households already purchase black bin bags and these are used throughout the whole collection in both wheeled bins and sacks. The sack collections tend to be in terraced properties and have a mix of age and social groups rather than any particular group. Section 46 (3) d of the Environment Protection Act 1990 allows a collection authority to require a householder to provide their own receptacles for waste collection.*
- 4.4 *Bereavement Services: Withdrawing the memorial service provision will have minimal impact. Only 36 services were conducted by Carlisle City Council last year, the remaining being provided by the private sector of funeral directors and memorial services and ministers of all faiths.*

## APPENDIX A

<u>Pest Control</u>	<u>Existing Charge 2010/11</u>	<u>Proposed Charge 2011/12</u>
(The charges are exclusive of VAT, which is charged at Standard Rate)		
Standard Farm Contract Service (Duration 12 months)	£280.00	£290.00
Service Charge per hour (min charge 1 hour) initial visit	£38.50	£40.00
Subsequent Visits per hour (min charge 1 hour)	£26.00	£27.00
Wasps (standard rate)	£30.40	£31.00
<b>Disposal of Unfit and Unsaleable Food</b>		
*Small load – per hour (exclusive of VAT)	£80.00	£83.00
Additional hours (per hour)	£49.00	£51.00
Condemnation Certificate	£24.00	£25.00
This fee would be levied whatever the value of the goods surrendered. However, occasionally minor amounts of food require disposal (i.e. where there are no transport or tipping charges incurred) and for these cases it is recommended that a £27 charge only be raised which will cover the cost of condemnation certificate		
*Min charge of 1 hour		
Note: These charges are subject to an additional fee in respect of Landfill Tax		
<b>Export Certification of Food</b>		
Cost of Export Certificate	£13.00	£14.00
Cost of EHO's time where applicable (per hour)	£49.00	£51.00
Cost of Inspection of Meat Cutting Premises (per hour)	£49.00	£51.00
Clean Neighbourhood & Environment Act FPN:-		
Dog Fouling**	£80.00	£80.00
Fly Posting**	£80.00	£80.00
Graffiti**	£80.00	£80.00
Dogs on Lead**	£80.00	£80.00
Waste Receptacles**	£110.00	£110.00
<b>Environmental Protection Act 1990</b>		
Litter	£80.00	£80.00
<b>Health Act 2006:-</b>		
Smoking in Smokefree premises +	£50.00	£50.00
Failure to display 'Smokefree' signage +	£200.00	£200.00
<b>Public Health Charges &amp; Miscellaneous Licences</b>		
Acupuncture, Cosmetic Piercing & Tattooing/Skin Colouring*	£87.00	£90.00
Animal Boarding Establishment	£81.00	£84.00
Dog Breeders	£59.00	£61.00
Pet Shops	£86.00	£89.00
Zoo Licences	£115.00	£115.00
Dangerous Wild Animals (+ Vets Fees)	£115.00	£115.00

\* One-off registration fees

\*\* The range of penalty charges for these are defined by legislation and range between £50 - £80 or £75 - £110 (waste receptacles)

+ The charges are defined by legislation

**PROPOSED LAPPC CHARGES FOR 2011/12- (SUBJECT TO FINAL OUTCOME OF DEFRA CONSULTATION)**

Type of charge	Type of process	2011/12 Fee		
Application Fee	Standard Process	£1579		
	Additional fee for operating without a permit	£1137		
	Reduced fee activities (except VRs)	£148		
	PVR I & II combined	£246		
	Vehicle refinishers (VRs)	£346		
	Reduced fee activities: Additional fee for operating without a permit	£68		
	Mobile screening and crushing plant	£1579		
	For the third to seventh applications	£943		
	For the eighth and subsequent applications	£477		
Where application is for a combined Part B / waste application, add £297 to the above amounts.				
	<b>Standard process Low</b>	£739 (+£99)*		
	<b>Standard process Medium</b>	£1111(+£149)*		
	<b>Standard process High</b>	£1672 (+£198)*		
	<b>Reduced fee activities Low/Med/High</b>	£76	£151	£227
	<b>PVR I &amp; II combined</b>	£108	£216	£326
	<b>Vehicle refinishers Low/Med/High</b>	£218	£349	£524
	<b>Mobile screening and crushing plant L/M/H</b>	£618	£989	£1484
	<b>for the third to seventh authorisations L/M/H</b>	£368	£590	£884
	<b>eighth and subsequent authorisations L/M/H</b>	£189	£302	£453
	<b>Late Payment Fee</b>	£50	£50	£50
	<b>* additional amount in brackets to be charged where a permit is for a combined Part B and waste installation</b>			
<b>Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £99 to the above amounts</b>				
<b>Transfer and Surrender</b>	<b>Standard process transfer</b>	£162		
	<b>Standard process partial transfer</b>	£476		
	<b>New operator at low risk reduced fee activity</b>	£75		
	<b>Surrender: all Part B activities</b>	£0		
	<b>Reduced fee activities: transfer</b>	£0		
<b>Temporary transfer for mobiles</b>	<b>Reduced fee activities: partial transfer</b>	£45		
	<b>First transfer</b>	£51		
	<b>Repeat transfer</b>	£10		
	<b>Repeat following enforcement or warning</b>	£51		
<b>Substantial change s10/11</b>	<b>Standard process</b>	£1005		
	<b>Standard process where the substantial change results in a new PPC activity</b>	£1579		
	<b>Reduced fee activities</b>	£98		

**Key**

Subsistence charges can be paid in four equal quarterly instalments paid on 1<sup>st</sup> April, 1<sup>st</sup> July, 1<sup>st</sup> October and 1<sup>st</sup> January. Where paid quarterly the total amount payable to the local authority will be increased by £36.

Reduced fee activities are; Service Stations, Vehicle Refinishers, Dry Cleaners and Small Waste Oil Burners under 0.4MW

**LAPPC mobile plant charges for 2011/12**

Number of authorisations	Application fee 2011/12	Subsistence fee 2011/12		
		Low	Med	High
1	£1579	£618	£989	£1484
2	£1579	£618	£989	£1484
3	£943	£368	£590	£884
4	£943	£368	£590	£884
5	£943	£368	£590	£884
6	£943	£368	£590	£884
7	£943	£368	£590	£884
8 and over	£477	£189	£302	£453

## LA-IPPC charges for 2011/12

NB – every subsistence charge in the table below includes the additional £99 charge to cover LA extra costs in dealing with reporting under the E-PRTR (European Pollutant Release and Transfer Register) Regulation.

Type of charge	Local authority element 2011/12
<b>Application</b>	<b>£3218</b>
<b>Additional fee for operating without a permit</b>	<b>£1137</b>
<b>Annual Subsistence LOW</b>	<b>£1384</b>
<b>Annual Subsistence MEDIUM</b>	<b>£1541</b>
<b>Annual Subsistence HIGH</b>	<b>£2233</b>
<b>Substantial Variation</b>	<b>£1309</b>
<b>Transfer</b>	<b>£225</b>
<b>Partial transfer</b>	<b>£668</b>
<b>Surrender</b>	<b>£668</b>

### Key

Subsistence charges can be paid in four equal quarterly instalments paid on 1<sup>st</sup> April, 1<sup>st</sup> July, 1<sup>st</sup> October and 1<sup>st</sup> January. Where paid quarterly the total amount payable to the local authority will be increased by £36.

Reduced fee activities are: Service Stations, Vehicle Refinishers, Dry Cleaners and Small Waste Oil Burners under 0.4MW

### Newspaper advertisements

Newspaper adverts may be required under EPR (Environmental Permitting Regulations) at the discretion of the LA as part of the consultation process when considering an application. This will be undertaken and paid for by the LA and the charging scheme contains a provision for the LA to recoup its costs.

## Environment Agency Subsistence Fees for Discharge to Controlled Waters 2011/12

Charge Band	Charge	Applicability
A	£2,270	Where permit conditions contain numerical water discharge limits other than for the pollutants or parameters listed in bands B and C
B	£760	Where permit conditions contain numerical water discharge limits for BOD, COD <sup>1</sup> or ammonia
C	£222	Where permit conditions contain numerical limits for water flow, volume, suspended solids, pH, temperature, or oil or grease.
D	£66	Where conditions are included in a permit which do not fall within any of the descriptions in bands A-C (e.g. descriptive conditions)

There is no extra fee payable to the Environment Agency where quarterly payments are made.



**FEES AND CHARGES -BEREAVEMENT SERVICES**

		<u>Charge</u> <u>2010/11</u> (£)	<u>Proposed</u> <u>2011/12</u> (£)
1.	<b>Cremation Fees (exempt VAT).</b> Fee includes Medical Referee, use of organ, cremation certificate, etc. Cremation Stillborn/Child up to 1 month Cremation 1 month – 17 years Cremation 18+ NEW CHARGE Environmental Surcharge Cremation Body Parts, Slides and Blocks	Free 128.50 521.00 0.00 61.20	Free 133.50 550.00 50.00 63.50
2.	<b>Inscriptions (VAT inclusive)</b>		
	Book of Remembrance - 2 lines	52.00	55.50
	- 5 lines	100.00	106.50
	- 5 lines with emblem etc.	143.00	152.20
	- 8 lines	111.50	119.00
	- 8 lines with emblem etc.	165.50	176.00
	Remembrance Cards - 2 lines	33.00	35.20
	- 5 lines	56.50	60.00
	- 5 lines with emblem etc.	104.00	111.00
	- 8 lines	71.50	76.00
	- 8 lines with emblem etc.	119.00	127.00
	Baby Book of Remembrance per line of inscription	7.00	7.50
	Motif, flower, etc	53.00	56.50
3.	<b>Memorial Wall</b>		
	Granite plaque with 2 lines - with niche	378.50	402.75
	- without niche	321.50	342.00
	Granite plaque with 3 lines - with niche	415.50	442.00
	- without niche	360.50	383.50
	Granite plaque with 4/5 lines – with niche	482.50	513.50
	- without niche	425.00	452.15
	Additional lines of inscription	64.50	69.00
	Bronze Plaque - with niche	295.50	314.50
	- without niche	238.00	253.50
	Replacement	92.50	98.40
	<b>Memorial Mushroom Plaques</b>	192.50	205.00

4.	<b>Woodland Burial Sheepfold bronze plaques</b>	293.00	312.00
5.	<b>Heather Garden</b>		
	Sanctum 2000 plaque with base unit	793.00	844.00
	Extra letters or figures	3.80	4.05
	Replacement plaque	204.50	217.50
	Memorial vase with tablet	425.00	452.50
	Replacement plaque	196.50	209.00
	New Sanctum 12	502.50	534.50
	Extra letters or figures	3.80	4.05
	Flower vase holder	17.50	19.00
	Replacement plaque	204.50	217.50
	Octagon Plaster plaque	402.50	428.50
	Replacement Octagon plaque	81.60	87.00
6.	<b>Other Charges (exempt VAT)</b>		
	Use of Chapel of Rest - per day	13.50	14.00
	- per 48 hours	26.00	27.00
	- 72 hours or over	39.00	40.50
	Placing cremated remains from other crematoria	46.50	48.50
	Transit of Cremated Remains by TNT (UK)	37.50	39.00
	Container - Plastic urn	13.50	14.00
	- Metal urn	21.50	22.50
	- Casket	34.00	35.50
	Provision of bearer at Cremation Service	13.50	14.00
	Coffins (VAT inclusive) - Kompakta	136.50	Deleted
	- Bamboo – lattice	262.00	Deleted
	- Bamboo – weave	227.00	Deleted
	- Willow Coffin	321.00	Deleted
	Carlisle Coffin (& Cocoon) – For use at funeral DELETED		
	<b>Other Bereavement Services</b>		
	Seat Maintenance Fees	45.00	46.75
	Funeral Service Fees	62.80	Deleted
	Information Provision Fees	13.00	13.50
	Returfing Graves	19.50	20.50
	NEW charge Wesley Recording of Cremation Service		26.00
	Baby Urn		5.40

## CEMETERIES

		<u>Charge</u> <u>2010/11</u> (£)	<u>Proposed</u> <u>2011/12</u> (£)
1.	Interment Fees (exempt VAT)		
	Interment of child (foetal remains to 1 month)	Free	Free
	Interment of child over 1 month to 17 years	84.00	87.20
	Interment of person 18 years +	513.00	532.50
	Non-Resident of Carlisle District	668.00	693.50
	Interment of cremated remains	167.50	174.00
	Body Part, Slide and Blocks	46.10	47.85
2.	Purchase of Exclusive Right of Burial (50 years) (exempt VAT)		
	For grave used for burial of child up to 17 years	71.50	74.25
	For grave used for burial of person 18 years +	882.50	916.50
	For cremated remains grave (size 4'x2')	303.50	315.00
3.	Purchase of Exclusive Right of Burial (30 years) (exempt VAT)		
	For grave used for burial of child up to 17 years	52.00	54.00
	For grave used for burial of person 18 years +	530.00	550.00
	For cremated remains grave (size 4'x2')	183.00	190.00
4.	Erection of Memorials Etc. (exempt VAT)		
	For placing Headstone/Monumental etc(Inc 2 safety checks 5&10yrs)	135.00	140.00
	For placing additional inscriptions or vase	52.00	54.00
5.	Use of Burial Chapel (secular or religious service)		
	Chapel at Richardson Street Cemetery	102.50	106.50
	Chapel at Stanwix Cemetery, Kingstown Road	84.00	87.00
6.	Miscellaneous		
	Transfer of Grave Rights/Statutory Declaration	24.50	25.50
	Teak Seats	921.00	980.00
7.	Environmental Options (for adult funerals only)		
	(a) Woodland Grave		
	Exclusive Burial Right for 50 years		
	For 2 burials	689.00	751.20
	For 1 burial	344.50	357.60
	For Cremated remains	344.50	357.60
	Exclusive Burial Right for 30 years		
	For 2 burials	413.50	430.00
	For 1 burial	207.00	215.00
	For Cremated remains	207.00	215.00

	Interment		
	Resident	513.00	532.50
	Non resident	668.00	693.50
	Cremated remains	167.50	174.00
	(exempt VAT, except supply of trees)		
	(b) Recycled Grave (One burial only)		
	Resident	513.00	532.50
	Non resident	668.00	693.50
	(c) Environmental Cremation (with bio-degradable coffin)	467.50	Deleted

**CORPORATE CHARGING POLICY 2011/12 TO 2015/16**

This appendix sets out the corporate approach to the setting of fees and charges.

Each service is required to consider how and to what extent each of the following applies to the fees and charges it proposes to set:

**1. Objectives of Charge - Set out the principal objective(s) of setting the charge:**

- Recover cost of service provision
- Generate Surplus Income (where permitted)
- Maintain existing service provision
- Fund service improvements or introduction of new service(s);
- Manage demand for service(s)
- Promote access to services for low-income households;
- Promote equity or fairness;
- Achieve wider strategic policy objectives (eg encouraging green policies).

**2. Other factors influencing decisions on whether and how much to charge:**

- The Council's historic approach to charging
- The views of local politicians, service users and taxpayers
- Other Councils' and service providers approach to charging
- Levels of central government funding and policy objectives
- The Council's overall financial position
- Changes in demand for services
- Policy on Concessions
- Availability of powers to charge for discretionary services (eg pre application planning advice)
- Central Government policy objectives

### **3. Targeting Concessions - The following target groups should be considered:**

- Persons over 65
- Unemployed
- Young persons under the age of 18
- Students in full time higher education
- Community Groups
- Those in receipt of supplementary benefits, tax credits, attendance allowance, disability living allowance and other appropriate groups

### **4. Trading**

The Council is empowered to sell goods or services to other public bodies or trade commercially through a company with non-public bodies. The objectives should be considered for relevant services (including Building Cleaning and Maintenance, Vehicle Maintenance, Grounds maintenance, Legal Services, Human Resources, IT, Payroll, Planning and Development Services) as follows to:

- Deliver services more strategically on an area-wide basis
- Achieving greater efficiency
- Capitalise on expertise within the council
- Utilise spare capacity
- Generate income
- Support service improvement

### **5. Value For Money**

- Has charging been used as a tool for achieving strategic policy objectives?
- Has the optimum use of the power to charge been used?
- Has the impact of charging on user groups been monitored?
- Has charging secured improvements in value for money?
- Has charging been used as a tool to reduce increases in Council Tax?