



REPORT TO: SPECIAL MEETING OF MORAY COUNCIL ON 18 FEBRUARY 2021

SUBJECT: CHARGING FOR SERVICES

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

1.1 To ask Council to approve revised charges for council services for 2021/22.

1.2 This report is submitted to Council in terms of Section III (B) (1) and (48) of the Council's Scheme of Administration relating to financial policy and the setting of charges.

2. RECOMMENDATION

2.1 It is recommended that Council approves the charges for Council services for 2021/22 set out in APPENDIX 1.

3. BACKGROUND

3.1 The current Charging for Services Policy was approved by this committee on 24 October 2017 (paragraph 6 of the minute refers). Under the policy, an annual revision of charges is required. In order to preserve the council's financial position, charges within the control of this council are generally inflated annually. A Special Moray Council on 16 December 2020 approved a default uplift for inflation of 2% for 2021/22 (paragraph 8 of the Minute refers).

3.2 An inflation increase cannot be applied to all charges. Some charges levied by the Council for services provided:

- are set by statute, some are limited by statute and some have the method of calculation prescribed by statute – these are indicated in **APPENDIX 1** and are included for the sake of completeness.
- are impractical to increase by inflation on a year-on-year basis, typically small charges and those collected by coin-in-the-slot machines where the cost of re-calibrating the machines outweighs any increased income which would be generated.

3.3 Where charges within the council's control are not proposed to be increased by 2% the reasons are discussed on a section-by-section basis below.

3.4 **A: Corporate Services / cross departmental services**

3.4.1 Photocopying charges (A18) are proposed to be left with no inflation increase, due to the minimal impact of these charges.

3.4.2 Pupil Education Records (A21) are proposed to be left with no increase

3.5 **B: Social Care Services**

3.5.1 Moray Council delivers social care under the aegis of Moray Integration Joint Board (MIJB). The ability to set charges is a function of the Council and not of MIJB. However, the Council agreed on 16 December 2020 to request MIJB to make recommendations regarding the level of charges, so that a holistic view can be taken of charges for social care and their relation to service issues, and in the spirit of partnership working. The charges included in section B relating to services carried out for MIJB are as recommended by MIJB. MIJB has instructed officers to carry out a review of flat rate charges with a view of discontinuing these (with the exception of the charge for community alarm) and incorporating all charges within the contributions policy

3.5.2 Though part of Social Care, Moray Training is not a function of MIJB. The service is under review. Currently Moray Training offers SVQ training to care providers. The registration component of SVQ fees is set by SQA and this component has been separated out in the proposed charges for 2021/22. Fees charged to external and internal candidates for First Aid training are proposed to be increased by 2%.

3.6 **C: Leisure Facilities**

3.6.1 As a consequence of the Covid-19 pandemic the Council's leisure facilities were either closed or operated a reduced service to the public and it's Fit Life members during much of 2020/21. It is proposed that for this financial year, charges are maintained at the previous year's rate to acknowledge the disruption experienced by the public and to encourage use when the facilities can operate normally

3.7 **D: Library and Information Services**

3.7.1 It is proposed that the hire of DVDs remains at £2.50, which is considered to be the market rate. It is also proposed that computer print outs are pegged at 10p per sheet, in line with the cost of photocopying. It is proposed that colour print outs remain at 35p per sheet. These charges have little impact.

3.7.2 There are minor variances from a 2% increase to the charges proposed, due to rounding – all prices have been rounded to the nearest 5p for convenience.

3.8 **E: Education**

- 3.8.1 It is proposed that charges for instrumental instruction are held at the current level. Moray's charges are currently the highest in the Northern Alliance and second highest in Scotland. Previous increases have seen a drop in the uptake of the service, with reducing numbers outweighing the impact of increased charges. Covid-19 recovery will focus on building pupil numbers which would be harder to do with higher lesson charges. It is also felt that parent loyalty to the Instrumental Instruction Service during lockdown should be acknowledged with charges held.
- 3.8.2 Moray Music Centre has not run this academic year therefore it is proposed that fees remain at the current level.
- 3.8.3 Sports Coaching service was not delivered during 2020/21 due to the Covid-19 pandemic and as a result it is proposed to freeze prices for 2021/22
- 3.8.3 As previously reported to this committee on 24 October 2017, the increase in the cost of school meals in 2017/18 resulted in a downturn in uptake. The loss of income from reduction in uptake increases the subsidy per school meal borne by the council. It is not proposed to increase the charge for school meals in 2021/22.

3.9 **F: Development Services**

- 3.9.1 As a result of Brexit a new EU Export Certificate charge of £40 will be introduced for 2021/22

3.10 **G: Waste Management, Land and Parks**

- 3.10.1 Given the impact on the commercial and trade sector of the Covid-19 pandemic, it is proposed to freeze Trade Waste residual and recyclable bin waste charges for 2021/ 22, which will also aid the service in competing with an increase from private sector companies in the area
- 3.10.2 Council on 20 January 2021 agreed that the charge for household garden waste permits is retained at £40.

3.11 **H: Fleet, Roads and Transportation**

- 3.11.1 It is proposed to freeze the MOT certificate charges for 2021/ 22; charges for taxi tests, re-tets and meter calibration have been increased by 2%, however, to ensure to keep to a rounded figure for cash collection these have been set to the the nearest £1 or 50p. Duplicate MOT and taxi compliance certificate charge has been reduced as this service can be carried out online with DVSA and is rarely used
- 3.11.2 It is not proposed to amend car parking charges for 2021/22, a 2 percent increase would result in a charge that would not be a round figure e.g. £1.53. The car parking machines do not give out change and this would be very unpopular with car park users. Typically car parking charges are multiples of £0.50. As the High Street has suffered during the pandemic any action that could result in having an adverse effect on recovery for the High Street would be unwelcome

3.12 I: Harbours

3.12.1 The harbour charges are reviewed on an annual basis to consider them in their overall commercial context – to balance opportunities to maximise income generation in a competitive market. Over recent years there has been a positive upward trend in income generated, both from new / amended charges and from additional business

3.12.2 For the 2021/22 year it is proposed to make a number of changes, rationalising some historic charges to make them more relevant, freezing some charges, making a reduction in two charges, and increasing others in line with the council position. It is anticipated that these amendments will maintain the market position of the harbours, and continue the long term positive trend in income.

3.12.3 The charges for the leisure berths are proposed to be increased by 2% in line with other council charges, and in line with the position established in 2017 of raising leisure charges each year by an amount relative to inflation to avoid incurring a real-cost decrease in income over a number of years.

3.12.4 As a result in the delay of replacing the pontoons at Findochty Harbour it is proposed that the users of the pontoons at Findochty apply as per normal from the 1 April 2021 but invoicing is suspended until it is clear when the pontoons are being replaced then charge pro rata.

3.13 K: Housing and Property

3.13.1 It is proposed that a new minimum charge of £150 per transaction on alienable property be levied and for complex transactions a fee of £47 - £96.50 plus expenses per hour is charged. These new charges are to take into account the additional work needed to comply with new legislation

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The levying of charges for Council services is an essential component of delivering Council priorities on a sustainable basis.

(b) Policy and Legal

The current policy for charging for Council services was approved by this committee on 24 October 2017. There are no legal implications arising from this report. Some charges are set or limited by legislation.

(c) Financial implications

Levying charges for services forms an important part of the Council's strategy for balancing its annual budget, by generating an amount of income from service users. The current budget for incomes from individual charges is included as a guide to the impact which these charges have on the council's financial position.

(d) Risk Implications

There are no risk implications arising directly from this report. There is always a risk that service usage drops if charges are increased. Budget managers have been asked to take this into account when recommending charges.

(e) Staffing Implications

There are no staffing implications arising directly from this report. Increasing charges collected by direct debit entails additional workload for the Payments Section.

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

The council's need to make savings has been considered in the context of the duty to consider the desirability of reducing impacts that are a result of socio-economic inequalities. For a number of charges it has been found that an increase would have little impact on Moray Council's financial position but would lead to impacts on families who have children and whose income takes them above the threshold for free services. An increase in charges for some of the services would have a cumulative economic impact on these families. It is therefore proposed not to increase charges for instrumental instruction (para 3.8.1) and school meals (para 3.8.3).

(h) Consultations

All Heads of Service and the Equal Opportunities Officer have been consulted in the preparation of this report and comments incorporated.

5. CONCLUSION

5.1 Generally, charges within the control of the Council and not the subject of specific budget proposals are recommended to be increased by an inflationary factor of 2%.

Author of Report: Paul Connor, Principal Accountant
Background Papers:
Ref: