

DERBYSHIRE COUNTY COUNCIL

Meeting with Cabinet Member – Health and Communities

26th May 2015

Report of the Strategic Director Health and Community Services

TRADING STANDARDS DIVISION FEES FOR FINANCIAL YEAR 2015/16

1. Purpose of the report:

To request the Cabinet Member – Health and Communities to approve the fees recommended to be charged during the 2015/16 financial year for the testing and verification of weighing and measuring equipment under the Weights and Measures Act 1985.

2. Information and analysis

- 2.1. The local authority has a statutory duty to enforce the provisions of weights and measures legislation. One of the purposes of the legislation is to ensure that weighing and measuring equipment is fit for use for trade and that errors of measurement are within prescribed tolerances. All prescribed equipment to be used for trade must be verified as being fit by an inspector of weights and measures or, in certain circumstances, an approved (private sector) verifier before being put into use. Any weighing or measuring equipment presented for testing to the local authority must be examined and if found to comply with legal requirements and, on payment of the fee, passed as fit for use (initial verification).
- 2.2. The Department of Business Innovation and Skills estimate¹ that £188 million worth of household goods are sold per annum on the basis of the measurement of their quantity. Goods bought and sold by measure are particularly important for poorer households in the UK constituting nearly one third of their total weekly expenditure. Most consumers take for granted that the quantity of goods delivered is what has been paid for and that the equipment used to weigh and/or measure is accurate. A lack of confidence in trade measurements can undermine market confidence both in the home market as well as for UK businesses wishing to export. This illustrates the need for accurate equipment to be used in the measurement of goods where sold by reference to quantity. In providing a verification service for items being placed on the market and repaired, Derbyshire County Council is contributing to the confidence in trade measurements.
- 2.3. The Trading Standards Division has 'Notified Body' status under the Measuring Instruments Directive 2004/22/EC and 2009/23/EC for Non-Automatic Weighing

¹ <http://www.lbpro.org.uk/docs/priority-regulatory-outcomes-report.pdf>

Instruments. Fees for initial verification of equipment under the authority's notified body scheme are itemised separately and are either the same or up to 25% higher than equipment submitted under section 11 of the Weights and Measures Act 85. The actual amount of the fee depends upon the type of equipment. This reflects additional costs associated with examination, testing, documentation and maintenance of Notified Body status. Such equipment presented for in-service verification may be charged at rates specified for equipment submitted under Section 11 of the Weights and Measures Act 1985.

- 2.4. Derbyshire County Council's verification income fell between 2007 and 2013 mainly as a result of more businesses using the private sector for verifications and because of the closure of a Chesterfield based water-meter manufacture in 2009. However, there has been significant increase from approximately £10,500 in 2012/13 to over £25,000 for 2014/15. This is largely due to the increased activity of a local business placing weighing instruments mounted on road vehicles onto the market. The income from this business alone in 2014/15 was £8,100. Income from this single source is unpredictable as it depends upon the business winning contracts to supply the weighing systems. There is also the possibility that the business might seek to self-verify in the future, although the company directors have confirmed that the independent verification service provided by this authority helps them to secure contracts for the instruments. The business has recently moved premises from Sheepbridge in Chesterfield to Staveley. The owners wanted to remain local to Chesterfield to retain its skilled workforce and perhaps the verification services of this authority. The company is also looking to expand their capacity at the Chesterfield site, which will create more local jobs although it is unclear at this time as to whether this will lead to more verification work for this authority. Re-verification of automatic rail weighbridges sited in quarries has also increased income over the same period. Trade use of these instruments is important as it reduces the amount of haulage by road.
- 2.5. Larger businesses such as supermarkets and petrol retail chains tend to use private sector 'self-verifiers' to ensure that their weighing and measuring equipment is 'fit for use for trade'. However, smaller businesses rely on the local authority to provide this service. Additionally, the provision of the notified body scheme can help business bring new products and technology to market. The authority continues to assist such a local company by being able to verify a number of on-board automatic weighing systems mounted to refuse collection vehicles. Compliance advice on system modifications and repairs to other systems has also been given, helping them to broaden their business base.
- 2.6. The fees approved for weights and measures verification work include a surcharge for work done outside normal working hours. It is proposed that the additional overtime fee charged for verification work outside the normal 07:00 to 19:00 Monday to Friday continues at the rate of standard charge plus 33% and for bank holidays to standard charge plus 50% to cover any additional over-time costs where authorised.

3. Legal considerations:

The Local Government Planning and Land Act 1980 provides that fees to be charged for the testing and stamping of weighing and measuring equipment under the Weights and Measures Act 1985 shall be determined by individual local authorities.

4. Financial

4.1. The fees which are determined by individual local authorities are set out in Appendix 1. The authority has followed guidance provided by the Association of Chief Trading Standards Officers (ACTSO) on setting fees which should be on a cost recovery basis. ACTSO has recommended that there is an increase in the fees charged for weights and measures verification services in line with inflation at 1.9% for March 2015. This is in line with the rate of inflation at the time that the advice was given.

4.2. The value of work from weights and measures verification and calibration activities in 2014-15 was £25,066, compared to £19,907 the previous year. The fees income from weights and measures activity is largely dependent on the submissions from a local business and is therefore subject to variation and is difficult to forecast accurately with any degree of confidence.

4.3. The fees incorporate VAT @ 20% imposed from 4th January 2011.

5. Other considerations

In preparing this report the relevance of the following factors has been considered; prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

6. Background papers

No

7. Key Decision:

No

8. Call-in:

Is it required that call-in be waived for any decision on this report?

No

9. Strategic Director's recommendation:

That the Cabinet Member – Health and Communities agrees the fees recommended for the financial year 2015-2016 as set out in Appendices 1 and 2.

David Lowe
Strategic Director
Health and Community Services

The Weights and Measures Act 1985 – sections 11(5), 49(4), 74(2), 74(4) and 76 scale of fees for 2014/15 Appendix 1 is shown in a separate document attached.

**WEIGHTS AND MEASURES ACT 1985 –
Sections 11(5), 49(4), 74(2), 74(4) and 76**

SCALE OF FEES FOR 2015/16

All fees are for work carried out during normal office hours. (That is 07:00 hrs – 19:00 hrs weekdays, except for Statutory Bank Holidays). Where submitters of equipment request tests to be conducted outside of these hours, a surcharge of 33% of the amount shown for a specific instrument or the hourly rate shall be added to the fee. Where submitters of equipment request tests to be conducted on a Statutory Bank Holiday, a surcharge of 50% of the amount shown for a specific instrument or the hourly rate shall be added to the fee. Where equipment for test on site is re-submitted following a previous withdrawal of request which resulted in expense, but no fee, to the Derbyshire County Council, then a surcharge may be added, at the discretion of the Chief Inspector of Weights and Measures, based on the rate of £72.35 + VAT £14.47 = £86.82 per hour for officer time incurred, to the fee(s) payable for the equipment that has been re-submitted and tested.

Fees for the Purpose of Section 11(5)

Fees for 2015/16	VAT	TOTAL
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A	<u>Linear Measures</u> (with or without divisions or sub-divisions), the scales not exceeding 3 m. Each Scale	£8.92	£1.78	£10.70
B	<u>Capacity Measures</u> (without divisions or sub-divisions), not exceeding 2 pints (if Imperial) or 1 litre (if Metric) Each Measure.	£6.28	£1.26	£7.53
C	<u>Cubic Ballast Measures</u> (other than Brim measure) Each Measure	£156.38	£31.28	£187.65

(i) Where two or more measures are submitted for test on the same occasion and at the same place, the fee for the second or subsequent measure or measuring instrument shall be reduced by 50%.

(ii) Where different measures are tested on the same occasion and at the same time, the full fee shall be charged for the highest value submission and the 50% reduction made for others commanding the same or lower fee.

Fees for 2015/16	VAT	TOTAL
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D Measuring instruments for measuring liquid fuel or lubricants or mixtures thereof:

Container types unsubdivided	£63.70	£12.74	£76.44
Single/Multi-outlets			
First Nozzle tested	£104.72	£20.94	£125.67
Each Additional Nozzle tested ...	£63.91	£12.78	£76.70

A charge to cover any additional costs involved in testing ancillary equipment that requires additional testing on site, such as credit card acceptors, shall be based upon the basic fee given above plus additional costs at the rate of £72.35 + VAT £14.47 = £86.82 per extra officer hour.

E Measuring Instruments for Intoxicating Liquor

Single or multiple submissions at the same occasion and place:

Not exceeding 150 ml

Single and first instrument	£14.51	£2.90	£17.41
2 nd -19 th instrument (per instrument)	£3.11	£0.62	£3.73
20 or more – all to be charged at	£3.11	£0.62	£3.73

Other:

Single or first instrument	£17.00	£3.40	£20.40
2 nd – 19 th Instrument (per instrument) ...	£5.70	£1.14	£6.84
20 or more – all to be charged at	£5.18	£1.04	£6.22

F Weights

Each Weight	£5.70	£1.14	£6.84
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G 1) Non Automatic Weighing Instrument – UK Verification

Capacity, as marked on the machine: –

Not exceeding 15 kg	£25.19	£5.04	£30.22
Exceeding 15 kg to 100 kg	£35.86	£7.17	£43.04
Exceeding 100 kg to 250 kg	£52.55	£10.51	£63.06
Exceeding 250 kg to 1 tonne	£89.04	£17.81	£106.84
Exceeding 1 tonne to 10 tonnes.....	£143.04	£28.61	£171.65
Exceeding 10 tonnes to 30 tonnes.....	£300.59	£60.12	£360.71
Exceeding 30 tonnes to 60 tonnes.....	£497.20	£99.44	£596.64
Exceeding 60 tonnes	£586.67	£117.33	£704.00

Fees for 2015/16	VAT	TOTAL
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2) EC Verification

Capacity as marked on the machine:-

Not exceeding 250 kg	£52.55	£10.51	£63.06
Exceeding 250 kg to 10 tonnes	£143.04	£28.61	£171.65

Instruments as in (1) or (2) above, but incorporating electronic price computing with associated display or printing facilities:

- H** (i) 150% of the fee which would otherwise be payable rounded, where appropriate, to the nearest 10p if less than £100 and to the nearest £ if in excess of £100.
- (ii) Reduction in fees: EITHER (i) OR (ii) below applies, but not on the same occasion.
- iii) Where two or more weighing instruments in the same fee category are submitted for test on the same occasion and at the same place, the fee for the second or subsequent instrument shall be reduced by 50%. Where more than one instrument from different fee categories are tested the full fee shall be charged for the highest value submission, and the 50% reduction made for others commanding the same or lower fee.
- (iv) Where weighing equipment is submitted AND the submitter provides ALL test weights (in excess of 20 kg) the fee shall be reduced by 50%.

I Measuring equipment for measuring liquid fuel in excess of 100 litres dispensed from road tankers –

1) Meter measuring systems – each system:

Wet-hose type, based on two liquids being used for testing	£164.81	£32.96	£197.77
Dry-hose type, based on two liquids being used for testing	£186.57	£37.31	£223.89

2) Dipstick measuring system – each system:-

Basic fee up to 7,600 litres (for Calibration of each compartment Production of calibration chart) NB for any compartment over 7,600 litres, basic fee plus additional costs at the rate of of £72.35 + VAT £14.47 = £86.82 per extra officer/hour)	£145.11	£29.02	£174.13
Initial dipstick	£17.00	£3.40	£20.40
Spare dipstick	£16.38	£3.28	£19.65
Replacement dipstick (including examination of compartment)	£37.11	£7.42	£44.53

Where two or more measuring systems or dipsticks are submitted for test at the same place and on the same occasion the fee for the second or subsequent system shall be reduced by 50%.

Measuring equipment for measuring liquid fuel in excess of 100 litres dispensed from road tankers – (continued)

Fees for the Purpose of Section 11(5)

Fees for 2015/16	VAT	TOTAL
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Following an occurrence under Regulation 65 or 66 of the Measuring Equipment (Liquid Fuel Delivered from Road Tankers) Regulations 1983, as amended: Per office hour spent at the place of submission for the purposes of examination, testing or stamping of the equipment ...	£72.35	£14.47	£86.82
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J Other Weighing or Measuring Equipment

For equipment other than the categories specifically described above, per officer hour spent at the place of submission for the purposes of examination, testing or stamping or stamping of the equipment ...	£72.35	£14.47	£86.82
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Fees for the Purpose of Section 74(2)

Fees for 2015/16	VAT	TOTAL
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K <u>Adjustment of weights</u> (for each weight)	£3.11	£0.62	£3.73
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Fees for the Purpose of Section 74(4)

Fees for 2015/16	VAT	TOTAL
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L <u>Per officer hour spent at the place of submission for the purpose of certification</u> Request test	£72.35	£14.47	£86.82
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For the issue of a certificate of accuracy... (except for laboratory work)	£15.03	£3.01	£18.04
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Fees for 2015/16	VAT	TOTAL
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M EC initial or partial verification

1) For the testing of weighing or measuring equipment with a view to EC initial or partial verification	The fee given in the Section above for the same class of equipment (or class of equipment to which the item submitted most clearly relates).
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2) For other services or facilities provided or for authorisations, certificates or other documents issued in pursuance of a community obligation per officer hour	£72.35	£14.47	£86.82
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Measuring Instrument Directive

Derbyshire is a Notified Body for the following classes of equipment:-

- 1) Cold Water Meter for Domestic Use
- 2) Measuring Instruments for liquid fuel and lubricants
- 3) Automatic Catch weighing instruments
- 4) Automatic Gravimetric Filling Instruments
- 5) Capacity Serving Measures

1) Cold water meters for domestic use

(Standard Hourly Rate)	£72.35	£14.47	£86.82
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2) Measuring Instruments for Liquid Fuel and Lubricants

(i) Container types	£67.27	£13.45	£80.72
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(ii) Single multi nozzle outlets	£110.91	£22.18	£133.09
First Nozzle			
Each additional nozzle tested	£67.48	£13.50	£80.97

(iii) A charge to cover any additional visits involved in testing ancillary equipment that requires additional testing on-site, such as credit card accepted shall be based on the fee given above plus additional costs at the rate of £72.35 + VAT £14.47 = £86.82 per hose.

3) Automatic Catch Weighers

As specified in the table in Section G

4) Automatic Check Weighers

As specified in the table in Section G

5) Automatic Gravimetric Filling Instruments

As specified in the table in Section G

6) Capacity Serving Measures

£7.57	£1.51	£9.08
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Additional fee is for initial Measuring Instrument Conformity assessment and verification but subsequent re verification is charged at the fees as specified in Section D and G.

Weights and Measures (Pre-packed Goods) Regulations 2006

- 1 In relation to any classes of equipment mentioned in the section above, the same fee for the class of equipment to which the item submitted most clearly relates.

(i) For equipment other than that specified previously at the rate of £72.35 + VAT £14.47 = £86.82 per hour.

Fees determined by Derbyshire County Council

Hire of the Division's Cast Iron Working Standard and Test Weights

1) Whole Tonne Hire

At a rate of £50.95 + VAT £10.19 = £61.14 per tonne for the first day or part day of hire, a day being taken as any period of 24 hours. Subsequent days or part days will be charged at a rate of £30.57 + VAT £6.11 = £36.68 per day or part day.

2) Part Tonne Hire

At a rate of £25.48 + VAT £5.10 = £30.58 for the first day or part day for the first 300 kg and an additional charge of £3.77 + VAT £0.75 = £4.52 per 100 kg per day or part day for additional weights required up to 1 tonne. Subsequent days or part days will be charged at a rate of £20.38 + VAT £4.08 = £24.46 per day or part day for the first 300 kg and an additional charge of £2.55 + VAT £0.51 = £3.06 per 100 kg per day or part day for additional weights required up to 1 tonne

Hire of reference meters

Hire of the Division's Bulk Flowmeter Calibration Unit

At a rate of £246.34 + VAT £49.27 = £295.61 per day (between 9.00 am and 5.00 pm) to include the unit and a driver/operator. In addition hours on site outside 9.00 am – 5.00 pm will be charged at standard hourly rate £72.35 + VAT £14.47 = £86.82.

Hire of unit up to 2 hours in duration on site will be charged at hourly rate £69.05 + VAT £13.81 = £82.86.

Hire of the Division's Water Meter

At a rate of £32.57 + VAT £6.51 = £39.08 per day.

Other Fees:

Fees for any unusual and occasional services, which are not covered by the above, shall be determined at the discretion of the Chief Inspector of Weights and Measures.

NOTES

- 1** The above guidance is without prejudice to the provisions of Sections 11, 12 and 77, which relate to the provision of assistance to Inspectors.
- 2** The guidelines have been designed to ensure full cost recovery for the provision of these services by an average authority. Authorities operating under exceptional circumstances should not be inhibited in departing from the scale by way of, for example, discount for large quantity submissions, or surcharge where exceptional operational difficulties are normally encountered.
- 3** Equipment submitted under the Measuring Instruments (EEC) Regulations 1988 is not subject to VAT.
- 4** In the event of second stage verification under Non Automatic Weighing Instruments Regulations 2000 the fee charged shall be the appropriate rate per hour or pro rata.
- 5** The appropriate fee shall be payable whether or not the equipment is passed as fit for use for trade, or received the stamp of EC partial or initial verification, as the case may be.
- 6** Provision for normal travelling time and costs have been built in to the LACORS guidance fees.
- 7** In the event of an appointment being cancelled on the day of the appointment, a cancellation fee of 1 hour at the hourly rate may be charged if notification is received before the officer has departed to make the appointment. If cancellation is received after the officer started the journey to the appointment, a fee to cover the time lost based on the hourly rate may be charged or the full testing fee due whichever is the lesser. If the appointment is cancelled after arrival at the place of testing, the full testing fee may be charged. If equipment has been hired to fulfill the appointment, the cost of the equipment hire may also be chargeable in the event of cancellation.
If the start of testing is excessively delayed on the day, an extra charge based on the hourly rate may be charged.
- 8** In the case of unusual circumstances, the Chief Inspector of Weights and Measures shall have discretion to increase or decrease fees.