

Part A

Report to: Finance Scrutiny Committee

Date of meeting: Tuesday, 12 September 2023

Report author: Head of Finance

Title: Annual Review of Fees and Charges

1.0 Summary

1.1 This report sets out the draft Charging Policy for 2024/25 to be adopted by Council and proposed changes to the Council's schedule of fees and charges.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Fees and Charges do not reflect cost of providing services	A subsidy / greater subsidy is created for the end user receiving the service.	Fees and Charges are reviewed at least annually to ensure that they remain at an appropriate level.	Treat	4
Income budgets do not reflect income levels	A variation to budget to budget is reported resulting in a budget pressure which must be met through in year savings or from reserves.	Income budgets are reviewed annually as part of the budget planning process and budgets are amended to reflect expected income levels based on charges and forecast activity / demand.	Treat	4

3.0 Recommendations

3.1 Finance Scrutiny Committee is recommended to:

- Consider the draft Charging Policy for 2024/25 at Appendix 1 and provide comments to Cabinet / Council as required.
- Consider the proposed Fees and Charges for introduction from 1 January 2024 (at Appendix 2) and 1 September 2024 (at Appendix 3) and provide comments to Cabinet / Council as required.

3.2 Cabinet will be recommended to recommend the draft Charging Policy and proposed Fees and Charges to Council for approval by Council in October.

3.3 In respect of Market licence fees, Cabinet will be recommended to delegate authority to set the fees to the Executive Director of Place, in consultation with the Portfolio holder.

Further information:

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Report approved by: Alison Scott, Shared Director of Finance

4.0 Detailed proposal

4.1 The Council agrees an annual Charging Policy which sets out the approach taken for setting fees and charges for Council services. This includes the different charging strategies that can be applied, service manager responsibilities and the approach to concessions. The draft policy for 2024/25 is set out at Appendix 1.

4.2 The Charging Policy requires service managers to review and vary fees and charges at least annually for services under their control, after consultation with the relevant Portfolio Holder.

4.3 This review is usually undertaken during the Autumn with fees and charges agreed as part of the budget in January. However, the inflationary environment means that it is prudent for this review to be undertaken sooner to ensure that fees and charges remain aligned to the cost of delivering services. In undertaking the review, service managers have taken into account that the Consumer Price Index (CPI) was 8.7% in April 2023.

4.4 It is proposed to adopt new fees and charges for the majority of services from 1 January 2024. These are set out in Appendix 2. The exceptions to this are set out in the following paragraphs.

- 4.5 The service year for Garden Waste collection service subscription runs from 1 September to 31 August. Therefore, the revised charges for Garden Waste will apply for the period 1 September 2024 to August 2025. These charges are set out in Appendix 3.
- 4.6 The schedule of fees and charges for the Council's leisure services operated by SLM are set by the provider within parameters set out in the leisure services management contract. Updates to these fees and charges will be provided by SLM ahead of the new financial year (1 April 2024).
- 4.7 Fees and charges in relation to hackney carriage and private hire vehicle licencing fall within the remit of the Council's licencing committee. These charges will be reviewed during the autumn and considered by the Committee in January 2024 with any amendments recommended to Council in January alongside the budget.
- 4.8 The setting of licence fees for Market traders sits outside the fees and charges schedule. Cabinet will be recommended to delegate authority to set the licence fees to the Executive Director of Place, in consultation with the Portfolio holder. This will provide greater flexibility to enable the Council to respond to changes in the economic climate.
- 4.9 The Council does not have discretion over all fees and charges as some are set out by central government in legislation to ensure consistency across the country. This includes Planning fees. The government has recently consulted on a range of proposals which would see these statutory fees increase by up to 35% and then be increased annually from 1 April by CPI. The legislation is expected to pass through parliament in the Autumn with fees increasing from 1 April 2024 at the latest. As these fees are prescribed in law, Council is not required to approve the adoption of these fees and they will be implemented in accordance with the legislation.

5.0 **Implications**

5.1 **Financial**

- 5.1.1 The Shared Director of Finance comments that the proposed increases to fees and charges, combined with estimates of activity, are expected to generate additional income of around £0.240m in 2024/25. This will be factored into the proposed budget for 2024/25 which will be considered by Council in January 2024.
- 5.1.2 The introduction of the revised fees and charges from 1 January 2024 will contribute to reducing the forecast overspend for 2023/24 as set out in the Financial Monitoring Report – Quarter 1.

5.2 **Legal Issues (Monitoring Officer)**

5.2.1 The Group Head of Democracy and Governance comments that there are no legal implications directly arising from this report.

5.3 **Equalities, Human Rights and Data Protection**

5.3.1 Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

5.3.2 Having had regard to the council's obligations under s149, it is considered there are no relevant issues arising directly from this report.

5.3.3 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 **Staffing**

5.4.1 There are no staffing implications arising from this report.

5.5 **Accommodation**

5.5.1 There are no accommodation implications arising from this report.

5.6 **Community Safety/Crime and Disorder**

5.6.1 Section 17 of the Crime and Disorder Act 1998 requires the council to give due regard to the likely effect of the exercise of its functions on crime and disorder in its area and to do all it reasonably can to prevent these. There are no issues arising from this report.

5.7 **Sustainability**

5.7.1 There are no sustainability implications arising from this report.

Appendices

Appendix 1 – Charging Policy 2024/25

Appendix 2 – Fees and Charges increased from 1 January 2024

Appendix 3 – Fees and Charges increased from 1 September 2024

Background papers

No papers were used in the preparation of this report.