

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF CABINET

Decision Made: 20 December 2023

Fees and Charges 2024-25

Issue for Decision

The report set out the proposed fees and charges for 2024/25 for all services and summarised the overall changes. Fees and charges are reviewed annually, and this forms part of the budget setting process. Changes to fees and charges will come into effect on 1 April 2024 unless otherwise stated in the report.

The report forms part of the process of agreeing a budget for 2024/25 and setting next year's Council Tax. Following consideration by Cabinet at its meeting on 20 September 2023 of the draft Medium Term Finance Strategy for 2024/25 – 2028/29 the savings budget proposals for services were agreed.

The draft MTFs described how, in bridging the budget gap, the Council would need to balance the requirement to make savings and generate increased income of 5%.

This 5% increase could be delivered by price increase and or volume increases. This needs to be considered in respect of any potential changes being approved by Cabinet.

The report also included an update on the Budget Survey. Public consultation on the budget has been carried out. Details are set out in Appendices F and G to the report. Cabinet reviewed the findings and assessed whether the budget proposals being presented later this year are consistent with public expectations and aspirations.

Decision Made

That:

1. The contents of the report be noted;
2. The Fees and Charges Policy as detailed in Appendix B to the report be noted; and
3. The Fees and Charges as detailed in Appendices A and D and updated Appendices C and E to the report be approved.

Reasons for Decision

Medium Term Financial Strategy

The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council's Strategic Plan will be delivered over the next five years, given the resources available. In so doing, it establishes the framework for the annual

budget setting process.

The MTFs and relevant savings proposals for 2024/25 were presented to Cabinet 20 September 2023. Across the council, these savings and fees and charges increases of 5% overall would cover the budget gap. The 5% increase can be delivered by increases to fees and charges or by increased volumes. Any reduction to savings or F&Cs would require further savings options to be considered.

This assumes that Council Tax is increased up to the referendum threshold and there are no significant changes to funding when government announce the funding settlement. If there are variations to our assumptions in the MTFs we will need to review the position again.

Fees and Charges

The council is able to recover the costs of providing certain services through making a charge to service users. For some services, this is a requirement and charges are set out in statute, and in other areas the council has discretion to determine whether charging is appropriate, and the level at which charges are set.

In recent years, the use of charging has become an increasingly important feature of the council's medium term financial strategy, as pressures on the revenue budget limit the extent to which subsidisation of discretionary services is feasible. Recovering the costs of these services from users where possible helps to ensure sustainability of the council's offer to residents and businesses, beyond the statutory minimum.

A charging policy (attached at Appendix B to the report for reference) is in place for charges which are set at the council's discretion and this seeks to ensure that:

- Fees and charges are reviewed regularly, and that this review covers existing charges as well services for which there is potential to charge in the future.
- Budget managers are equipped with guidance on the factors which should be considered when reviewing charges.
- Charges are fair, transparent and understandable, and a consistent and sensible approach is taken to setting the criteria for applying concessions or discounted charges.
- Decisions regarding fees and charges are based on relevant and accurate information regarding the service and the impact of any proposed changes to the charge is fully understood.

The policy covers fees and charges that are set at the discretion of the council and does not apply to services where the council is prohibited from charging, e.g. the collection of household waste. Charges currently determined by central government, e.g. planning application fees, are also outside the scope of the policy. However, consideration of any known changes to such fees and charges and any consequence to the medium term financial strategy are included in the report for information.

Managers are asked to consider the following factors when reviewing fees and charges:

- The council's strategic plan and values, and how charge supports these;
- The use of subsidies and concessions targeted at certain user groups or to facilitate access to a service;
- The actual or potential impact of competition in terms of price or quality;
- Trends in user demand including an estimate of the effect of price changes on customers;
- Customer survey results;
- Impact on users, both directly and on delivering the council's objectives;
- Financial constraints including inflationary pressure and service budgets;
- The implications of developments such as investment made in a service;
- The corporate impact on other service areas of council wide pressures to increase fees and charges;
- Alternative charging structures that could be more effective;
- Proposals for targeting promotions during the year and the evaluation of any that took place in previous periods.

Discretionary Charges for 2024-25

It is important that charges are reviewed on a regular basis to ensure that they remain appropriate and keep pace with the costs associated with service delivery as they increase over time.

Charges for services have been reviewed by budget managers in line with the policy, as part of the development of the MTFs for 2024/25 onwards. The detailed results of the review carried out this year are set out in Appendix A and C to E to the report. The approval by Cabinet is sought to the amended fees and charges for 2024/25 as set out in the appendices.

Tables below summarise the 2023/24 outturn and 2024/25 estimate for income from the fees and charges. Please note that the table only reflects changes relating to fees and charges and does not include other budget proposals which may impact these service areas.

The Council's policy on charging states that Cabinet will consider the overall impact of all fees and charges on the council's residents and businesses. A summary of these changes is provided below, with the detail set out within Appendices A and C-E to the report. Overall, the anticipated impact of all the proposals represents an increase 4.0% on existing gross income budgets. This is in line with the expected level of increase to ensure we deliver a balanced budget.

CS – Fees and Charges

Service Area	2022-23 Outturn	2023-24 Estimate	Proposed change in income	2024-25 Estimate
	£	£	£	£
Legal Services	113,517	60,000	53,000	113,000
Street Naming & Numbering	33,807	73,350	0	73,350
Town Hall	385	1,500	0	1,500
Total income – set by the Council	147,709	134,850	53,000	187,850

Table 1: Discretionary Fees & Charges Summary

Detailed proposals are set out within Appendix A to the report, and considerations relating to these proposals have been summarised below.

Legal Services – The fees and charges for legal services are based on recovering the cost of the service. Consideration is also given to the maximum recoverable costs per hour for court work in this area, which are set by the Ministry of Justice. The hourly chargeable rate is the same across all three authorities in the partnership. The increase is mainly driven by volumes increase of £50,000.

Street Naming and Numbering – No changes are proposed to these charges at this stage.

Town Hall – No changes are proposed to these charges at this stage.

CS Statutory Fees & Charges

Table 2 below summarises the income due from fees which are set by the government. No changes are anticipated to these charges which are set centrally by government departments.

Service Area	2022-23 Outturn	2023-24 Estimate	Proposed change in income	2024-25 Estimate
	£	£	£	£
Mid Kent Enforcement Service	939,386	1,029,000	0	1,029,000
Total income – set externally	939,386	1,029,000	0	1,029,000

Table 2: Statutory Fees & Charges Summary (CS PAC)

No increase in income from compliance and enforcement fees is anticipated due to constraints on debt collection including delays in the courts service. MKES operates as a shared service, the income is gross and the net profit is shared equally between the authorities.

HHE F&Cs

Service Area	2022-23 Outturn	2023-24 Estimate	Proposed change in income	2024-25 Estimate
	£	£	£	£
Parks and Open Spaces	9,953	16,500	0	16,500
Cemetery and Crematorium	1,871,809	1,769,320	50,000	1,819,320
Environmental Health	31,642	22,420	3,450	25,870
Waste Crime & Community Protection	14,725	26,900	0	26,900
Recycling & Refuse Collection	1,524,164	1,506,950	10,000	1,516,950
HMO Licensing	30,571	20,380	12,885	33,265
Gypsy & Traveller Sites	50,359	73,860	0	73,860
Grand Total	3,533,223	3,436,330	76,335	3,512,665

Table 3: Discretionary Fees & Charges Summary (HHE)

CLA F&Cs

Service Area	2022-23 Outturn	2023-24 Estimate	Proposed change in income	2024-25 Estimate
	£	£	£	£
Museum	36,580	42,800	0	42,800
Parks and Open Spaces-Leisure Activities	55,790	44,630	0	44,630
Market	87,000	87,930	5,580	93,510
Grand Total	179,370	175,360	5,580	180,940

Table 4: Discretionary Fees & Charges Summary (CLA)

PIED F&Cs

Service Area	2022-2023 Outturn	2023-2024 Budget	Proposed change in income	2024-2025 Estimate
	£	£	£	£
Parking Services	3,405,009	3,394,500	43,400	3,437,900
Sandling Road Car Park	76,966	53,470	0	53,470
Land Charges	236,012	286,900	0	286,900
Building Control	400,542	402,540	40,000	442,540

Development and Conservation Control	1,355,924	1,636,440	200,000	1,836,440
Economic Development-Jubilee Square	0	3,500	0	3,500
Grand Total	5,474,453	5,777,350	283,400	6,060,750

Table 5: Discretionary Fees & Charges Summary (PIED)

Budget Survey

Public consultation on the budget has been carried out. Details are set out in Appendices F and G to the report. Members are encouraged to review the findings and assess whether the budget proposals they have reviewed are consistent with public expectations and aspirations.

Services Spending Approaches

Respondents were provided with the list of mandatory services detailing the current spend for each per council tax band D household. They were asked to indicate what approach they felt the Council should take in delivering the mandatory services. Three options were provided for respondents to select from:

- Reduce the service provided
- Maintain the current service
- Don't know.

The key points from the responses are (Appendix F to the report):

- The top three mandatory services that respondents said should be maintained were Environmental Services (96.7%), Environmental Health (84.1%) and Community Safety (82.0%).
- The top three mandatory services which respondents said should be reduced were Democratic & Electoral services (47.0%), Licensing (38.5%) and Council Tax & Benefits (34.8%).
- The top three discretionary services which respondents said should be maintained were Parks & Open Spaces (96.4%), Leisure centre (79.7%) and Car Parks (74.3%).
- The top three discretionary service which respondents said should be reduced were Civic Events (50.8%), Markets (43.3%) and Tourism (34.6%).
- Investment priorities – infrastructure including flood prevention and street scene remain the highest priority.

We have also compared the changes between the 2022 and 2023 surveys (Appendix G to the report). There are small swings in the figures on reducing services. Those with a decrease in the percentage for 'reducing the service provided' are Environmental Services and Planning.

Those with a larger increase in the percentage for 'reducing the service provided' are Democratic and Electoral Services, Bereavement Services, Environmental Enforcement and Licensing.

The most important services were also compared across the 2 surveys. There were no changes in the priority order.

Investment Programme

Survey respondents were asked to place a list of investment programme priorities into their preferred order of importance. The result is consistent with the 2022 survey with Infrastructure (including flood presentation and street scene) the highest preference and housing the lowest.

Alternatives considered and why rejected

Option 2: We could agree alternative charges to those set out within Appendices A and C to E to the report. This was not chosen as any alternative increases may not be fully compliant with the policy, would require further consideration before implementation and may not deliver the necessary levels of income to ensure a balanced budget for 2024-25. The impact on demand for a service was also taken into account when considering increases to charges beyond the proposed level.

Option 3: We could agree to do nothing and retain charges at their current levels. This was not chosen as this might limit the Council's ability to recover the cost of delivering discretionary services and could result in being unable to set a balanced budget for 2024-25.

Background Papers

None

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.



Signed: _____
Councillor Paul Cooper, Deputy Leader of the Council

Full details of both the report for the decision taken above and any consideration by the relevant Policy Advisory Committee can be found at the following area of the [website](#)

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm on 8 January 2024**