

Fees and Charges 2022-23

Final Decision-Maker	Communities, Housing and Environment Committee
Lead Head of Service	Mark Green, Director of Finance and Business Improvement
Lead Officer and Report Author	Ellie Dunnet, Head of Finance
Classification	Public
Wards affected	All

Executive Summary

This report sets out the proposed fees and charges for 2022/23 for the services within the remit of this committee. Fees and charges determined by the council are reviewed annually, and this forms part of the budget setting process. Changes to fees and charges agreed by this committee will come into effect on 1 April 2022 unless otherwise stated in the report.

Purpose of Report

Decision

This report makes the following recommendations to this Committee:

1. That the proposed discretionary fees and charges set out in Appendix 1 to this report are agreed.
2. That the expected statutory fees and charges set out in Appendix 1 to this report are noted.

Timetable

Meeting	Date
Communities, Housing and Environment Committee	30 November 2021
Policy and Resources Committee	15 December 2021

Fees and Charges 2022-23

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<ul style="list-style-type: none"> We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, the Council’s policy on charging has been developed to support corporate priorities as set out in the strategic plan and the proposals within the report have been made with reference to this. 	Head of Finance
Cross Cutting Objectives	<ul style="list-style-type: none"> The report recommendations support the achievement of the cross cutting objectives by ensuring that costs of service delivery are recovered where possible, which enables services which support these objectives to be sustained. 	Head of Finance
Risk Management	<ul style="list-style-type: none"> This is covered within section 5 of the report. 	Head of Finance
Financial	<ul style="list-style-type: none"> Financial implications are set out in the body of the report. If agreed, this income will be incorporated into the Council’s medium term financial strategy for 2021-22 onwards. 	Head of Finance
Staffing	<ul style="list-style-type: none"> The recommendations do not have any staffing implications. 	Head of Finance
Legal	<ul style="list-style-type: none"> Acting on the recommendations is within the Council’s powers as set out within the Local Government Act 2003 and the Localism Act 2011. <p>Section 93 of the Local Government Act 2003 permits best value authorities to charge for discretionary services provided the authority has the power to provide that service and the recipient agrees to take it up on those terms. The authority has a duty to ensure that taking one financial year with another, income does</p>	Interim Team Leader Contentious and Corporate Governance

	<p>not exceed the costs of providing the service. A number of fees and charges for Council services are set on a cost recovery basis only, with trading accounts used to ensure that the cost of service is clearly related to the charge made. In other cases, the fee is set by statute and the Council must charge the statutory fee. In both cases the proposals in this report meet the Council's legal obligations.</p> <ul style="list-style-type: none"> • Where a customer defaults on the fee or charge for a service, the fee or charge must be defensible, in order to recover it through legal action. Adherence to the MBC Charging Policy on setting fees and charges provides some assurance that appropriate factors have been considered in setting such fees and charges. 	
Privacy and Data Protection	<ul style="list-style-type: none"> • The recommendations do not have any privacy or data protection implications. 	Policy and Information Team
Equalities	<ul style="list-style-type: none"> • The recommendations do not propose a change in service therefore will not require an equalities impact assessment. 	Head of Finance
Public Health	<ul style="list-style-type: none"> • The recommendations do not have any public health implications. 	Head of Finance
Crime and Disorder	<ul style="list-style-type: none"> • The recommendations do not have any public health implications. 	Head of Finance
Procurement	<ul style="list-style-type: none"> • The recommendations do not have any procurement implications. 	Head of Finance
Biodiversity and Climate Change	<p>The implications of this report on biodiversity and climate change have been considered and are;</p> <ul style="list-style-type: none"> • There are no implications on biodiversity and climate change. 	Head of Finance

2. INTRODUCTION AND BACKGROUND

- 2.1 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.
- 2.2 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.
- 2.3 A charging policy (attached at Appendix 2 for reference) is in place for charges which are set at the council's discretion and this seeks to ensure that:
 - a) 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.
 - b) Budget managers are equipped with guidance on the factors which should be considered when reviewing charges.
 - c) Charges are fair, transparent and understandable, and a consistent and sensible approach is taken to setting the criteria for applying concessions or discounted charges.
 - d) 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.
- 2.4 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 this report for information.
- 2.5 Managers are asked to consider the following factors when reviewing fees and charges:
 - a) The council's strategic plan and values, and how charge supports these;
 - b) The use of subsidies and concessions targeted at certain user groups or to facilitate access to a service;
 - c) The actual or potential impact of competition in terms of price or quality;

- d) Trends in user demand including an estimate of the effect of price changes on customers;
- e) Customer survey results;
- f) Impact on users, both directly and on delivering the council's objectives;
- g) Financial constraints including inflationary pressure and service budgets;
- h) The implications of developments such as investment made in a service;
- i) The corporate impact on other service areas of council wide pressures to increase fees and charges;
- j) Alternative charging structures that could be more effective;
- k) Proposals for targeting promotions during the year and the evaluation of any that took place in previous periods.

Discretionary Charges for 2022-23

- 2.6 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.
- 2.7 Charges for services which fall within the remit of this committee have been reviewed by budget managers in line with the policy, as part of the development of the medium term financial strategy for 2022/23 onwards. The detailed results of the review carried out this year are set out in Appendix 1 and the approval of the committee is sought to the amended fees and charges for 2022/23 as set out in that appendix.
- 2.8 Table 1 below summarises the 2020/21 outturn and 2021/22 estimate for income from the discretionary fees and charges which fall within the remit of this committee. 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.
- 2.9 The overall increase in income if these changes are agreed and implemented as planned is expected to be £27,660 which amounts to a 0.84% increase in the overall budgeted income figure for this committee for the current financial year. This information excludes fees for licensing, which will be reported to the Licensing Committee for approval.

Service Area	2020-21 Actual £	2021-22 Estimate £	Proposed change in income £	2022-23 Estimate £
Parks and Open Spaces	2,600	17,510	0	17,510
Parks and Open Spaces-Leisure	3,586	20,530	0	20,530
Cemetery and Crematorium	1,853,825	1,470,740	25,000	1,495,740
Environmental Health	7,786	10,020	0	10,020
Waste Crime & Community Protection	2,754	3,900	0	3,900
Recycling & Refuse Collection	1,306,541	1,410,530	0	1,410,530
HMO Licensing	11,516	20,380	0	20,380
Gypsy & Traveller Sites	75,757	70,340	2,660	73,000
Total income from fees set by the Council	3,264,366	3,023,950	27,660	3,051,610

Table 1: Discretionary Fees & Charges Summary (CHE)

2.10 Detailed proposals are set out within Appendix 1 to this report, and considerations relating to these proposals have been summarised below.

Parks and Open Spaces – Charges for sporting activities were restructured during 2020 in order to facilitate fair access for participants of all ages and frozen during the pandemic in recognition of the importance of these facilities for health and wellbeing. The increases proposed for 2022/23 reflect the increased cost of providing this service due to rising materials and delivery charges, and increased labour market costs.

It is proposed that no charge is made for use of tennis courts, bowls facilities or rounders. These charges have not been collected for a number of years as the costs have made this uneconomical.

Income levels suffered during 2020/21 as a result of the pandemic which resulted in the cancellation of several large-scale events. The position has improved during 2021/22, however no increase in the budget for the forthcoming financial year is proposed at this stage while income levels continue to recover.

Cemetery and Crematorium – A number of changes are proposed to the charges in this area. These proposals have been made with reference to increasing supply costs and are considered to be in line with charges made by local competitors. Charges for graves to non-residents have been increased to in order to limit demand from outside the area and conserve availability for local residents. Other price increases at the cemetery are considered to bring charges to an approximate mid-point when compared to similar charges elsewhere. It is estimated that the increased charges will generate additional income of £25,000 which will be used to fund the increased costs of providing this service.

Environmental Health – Charges have been reviewed and increased where appropriate to offset the costs of service provision. Based on current

demand for these services, no increase to the income budget for 2022/23 is proposed.

Waste Crime and Community Protection –Increases are proposed for pest control charges which reflect the rising costs associated with provision of these services. However, it is not anticipated that this will give rise to an overall increase in income levels.

Recycling and Refuse Collection –

Bulky collection – No increases are proposed for 2022/23 as charges were increased by over 3% last year.

Garden waste service – No increases are proposed for 2022/23 as charges were increased by 12.5% last year.

Trade waste – Increases are proposed for the collection of trade waste due to the increased costs of delivering this service. Rising costs for fuel, labour, disposal and fleet servicing mean that it has been necessary to increase the charges in this area in order to maintain the viability of the service. It should be noted that these charges have not been increased for a number of years and take up for this service has been steadily growing. The proposed charges have been set with reference to competitors and it is not anticipated that the changes will result in the current level of business being adversely impacted.

HMO Licensing – Minor inflationary increases are proposed for 2022/23. Income levels are expected to remain stable.

Gypsy and Traveller Sites – Increases to the weekly plot fees for Gypsy and traveller sites at Marden and Ulcombe have been proposed with reference to RPI inflation of 3.8% (12 months to July 2021). The proposed increases are in line with the Mobile Homes Act 1983 formula and are expected to generate additional income of £2,660 if agreed.

3. AVAILABLE OPTIONS

3.1 Option 1

The committee could approve the recommendations as set out in the report, adopting the fees and charges as proposed in Appendix 1. As these proposals have been developed in line with the council's policy on fees and charges, they will create a manageable impact on service delivery whilst maximising income levels.

3.2 Option 2

The committee could propose alternative charges to those set out within Appendix 1. 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 2022-23. The impact on demand for a service should also be taken into account when considering increases to charges beyond the proposed level.

3.3 Option 3

The committee could choose to do nothing and retain charges at their current levels. However, this might limit the Council's ability to recover the cost of delivering discretionary services and could result in the Council being unable to set a balanced budget for 2022-23.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 Option 1 as set out above is recommended as the proposed fees and charges shown within Appendix 1 have been developed by budget managers in line with the Council's Charging Policy. The proposed charges are considered appropriate and are expected to create a manageable impact on service delivery whilst maximising cost recovery. Changes to fees and charges agreed by this committee will come into effect on 1 April 2021 unless otherwise stated.

5. RISK

5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 No consultation has been undertaken specifically relating to the proposals set out in the report. However, the Council has undertaken a survey of residents which will be used to inform wider decisions related to budget setting and spending priorities. The results of this survey were presented to Policy and Resources Committee on 24 November 2021.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 Policy and Resources Committee will receive an overarching report of all fees and charges proposals on 15 December 2021.

7.2 If agreed, the proposed changes to fees and charges, as set out within Appendix 1 will be implemented with effect from 1 April 2022.

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Current and Proposed Fees & Charges – CHE Committee
 - Appendix 2: Charging Policy
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9. BACKGROUND PAPERS

None