

Fees and Charges 2022-23

Will this be a Key Decision	Yes
Urgency	Not Applicable
Final Decision-Maker	Executive
Lead Head of Service	Mark Green, Director of Finance and Business Improvement
Lead Officer and Report Author	Adrian Lovegrove, Head of Finance
Classification	Public
Wards affected	All

Executive Summary

This report sets out the proposed fees and charges for 2023/24 for all services. 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 the Executive will come into effect on 1 April 2023 unless otherwise stated in the report.

Recommendation to the Executive

1. That the Fees and Charges as set out in the appendices 1, 3, 4 and 5 to this report be approved.

Timetable

Meeting	Date
Executive	21 December 2022

Fees and Charges 2023-24

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. 	Adrian Lovegrove, 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. 	Adrian Lovegrove, Head of Finance
Risk Management	<ul style="list-style-type: none"> This is covered within section 5 of the report. 	Adrian Lovegrove, 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 2023-24 onwards. 	Adrian Lovegrove, Head of Finance
Staffing	<ul style="list-style-type: none"> The recommendations do not have any staffing implications. 	Adrian Lovegrove, 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.</p>	Legal

	<p>The authority has a duty to ensure that taking one financial year with another, income does 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> <p>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.</p>	
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. 	Equalities & Communities Officer
Public Health	<ul style="list-style-type: none"> The recommendations do not have any public health implications. 	Public Health Officer
Crime and Disorder	<ul style="list-style-type: none"> The recommendations do not have any public health implications. 	Head of Service or Manager
Procurement	<ul style="list-style-type: none"> The recommendations do not have any procurement implications. 	Adrian Lovegrove, 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. 	Biodiversity and Climate Change Officer

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:
- 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.
- 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:
- 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 2023-24

- 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 2023/24 onwards. The detailed results of the review carried out this year are set out in Appendix 1 and the Committee is asked to recommend that the Executive approve the amended fees and charges for 2023/24 as set out in that appendix.
- 2.8 Table 1 below summarises the 2021/22 outturn and 2022/23 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 £2,800 which amounts to a 2.04% increase in the budgeted income figure for this committee for the current financial year.

Fees and Charges

Service Area	2021-22 Outturn £	2022-23 Estimate £	Proposed change in income £	2023-24 Estimate £
Legal Services	108,687	57,200	2,800	60,000
Street Naming & Numbering	67,205	73,350	0	73,350
Town Hall	415	1,500	0	1,500
Maidstone House (staff parking)	1,517	4,910	0	4,910
Total income from charges set by the Council	177,823	136,960	2,800	139,760

Table 1: Discretionary Fees & Charges Summary

- 2.10 Detailed proposals are set out within Appendix 1 to this report, and considerations relating to these proposals have been summarised below.
- 2.11 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 most significant cost pressure for legal services is salaries which represent the biggest proportion of the expenditure budget. The hourly chargeable rate is the same across all three authorities in the partnership.
- 2.12 Street Naming and Numbering – The fees and charges have been increased to reflect significant increase in costs of providing these services and that they were not increased last year. These fees and charges are in line with other Kent Authorities. No changes are proposed to the budget as the income is under recovering at this stage.
- 2.13 Town Hall – The fees and charges have been increased to reflect significant cost increases of providing these services having not been increased since 2015 and therefore have increased by a higher percentage than usual. No changes are proposed to the budget as the income is under recovering at this stage.
- 2.14 Maidstone House (Charge for paying customers) – No changes are proposed to these charges at this stage.

Statutory Fees & Charges

- 2.15 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	2021-22 Outturn £	2022-23 Estimate £	Proposed change in income £	2023-24 Estimate £
Mid Kent Enforcement Service	758,189	905,700	130,300	1,036,000
Total income from charges set externally	758,189	905,700	130,300	1,036,000

Table 2: Statutory Fees & Charges Summary (P&R)

- 2.16 An increase in income from compliance and enforcement fees is anticipated as activity increases. This operates as a shared service, the income is gross and the net profit is shared equally between the authorities.

Strategic Overview

- 2.17 The Executive 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 3-5. Overall, the anticipated impact of all the proposals represents a small increase (2.9%)

on existing gross income budgets. 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	10,678	17,510	0	17,510
Cemetery and Crematorium	1,685,281	1,497,160	98,700	1,595,860
Environmental Health	19,405	18,020	4,080	22,100
Waste Crime & Community Protection	14,706	26,900	0	26,900
Recycling & Refuse Collection	1,482,840	1,410,530	16,100	1,426,630
HMO Licensing	35,023	20,380	0	20,380
Gypsy & Traveller Sites	57,621	70,340	3,520	73,860
Total income from fees set by the Council	3,305,554	3,060,840	122,400	3,183,240

Table 3: Discretionary Fees & Charges Summary (CHE)

Service Area	2021-22 Outturn £	2022-23 Estimate £	Proposed change in income £	2023-24 Estimate £
Economic Development (Jubilee Square)	175	3,500	0	3,500
Market	0	0	0	0
Museum	34,230	44,400	0	44,400
Total income from fees set by the Council	34,405	47,900	0	47,900

Table 4: Discretionary Fees & Charges Summary (ERL)

Service Area	2020-21 Outturn £	2021-22 Budget £	Proposed change in income £	2022-23 Estimate £
Parking Services	3,366,460	3,164,500	0	3,164,500
Sandling Road Car Park	61,319	53,470	0	53,470
Land Charges	299,058	286,900	0	286,900
Building Control	456,912	401,510	20,080	421,590
Development and Conservation Control	1,525,860	1,457,410	0	1,457,410
Grand Total	5,709,609	5,363,790	20,080	5,383,870

Table 5: Discretionary Fees & Charges Summary (PI)

3. AVAILABLE OPTIONS

3.1 Option 1

The Executive could approve the fees and charges as proposed in the Appendices. 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 Executive could approve alternative charges to those set out within the appendices. 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 2023-24. 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 Executive could 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 2023-24.

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 the Appendices 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 recommended by this committee will go to the Executive for approval and will come into effect on 1 April 2023 unless otherwise stated.
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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.
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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 will be considered as part of the budget process.
- 6.2 Fees and Charges have been considered by PACs, however it should be noted that at the time of drafting this report, charges are still to be considered by the Corporate Services Committee. A verbal update on these proposals will be given at the meeting if necessary. Any changes will be reflected in revised Appendix for consideration by the Executive on the 21st December.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

The approved Fees and Charges will be implemented with effect from 1 April 2023.

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 – CS PAC.
- Appendix 2: Charging Policy
- Appendix 3: Current and Proposed Fees & Charges – CHE PAC
- Appendix 4: Current and Proposed Fees & Charges – ERL PAC
- Appendix 5: Current and Proposed Fees & Charges – PI PAC

9. BACKGROUND PAPERS

None.