

**Housing and Community
Cohesion Policy Advisory
Committee**

10 December 2024

Fees and Charges 2025-26

Timetable	
Meeting	Date
Housing and Community Cohesion Policy Advisory Committee	10 December 2024
Cabinet	18 December 2024

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	Council
Lead Head of Service/Lead Director	Mark Green, Director of Finance, Resources 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 2025/26 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 2025 unless otherwise stated in the report.

This report forms part of the process of agreeing a budget for 2025/26 and setting next year's Council Tax. It is in line with Medium Term Financial Strategy 2025/26 – 2029/30 considered by Climate Transition, Corporate and Environmental Services Policy Advisory Committee at its meeting on 8th July 2024 of the approach to setting the budget.

This report also includes an update on the Budget Survey. Public consultation on the budget has been carried out. Details are set out in Appendix C and D. Members are encouraged to review the findings and assess whether the budget proposals being presented later this year are consistent with public expectations and aspirations.

Recommendation to Housing and Community Cohesion Policy Advisory Committee:

1. The Committee is asked to note the contents but may choose to comment on the content.
2. That the Committee recommend to the Cabinet to approve the Fees and Charges as detailed in Appendix A.
3. That the Committee note the Fees and Charges Policy as detailed in Appendix B.
4. That the Committee note the Budget survey results in Appendix C and D.

Fees and Charges 2024-25

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The Medium Term Financial Strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. They reflect the Council’s decisions on the allocation of resources to all objectives of the strategic plan.</p> <p>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.</p>	Section 151 Officer & Finance Team
Cross Cutting Objectives	The MTFS supports the cross-cutting objectives in the same way that it supports the Council’s other strategic priorities.	Section 151 Officer & Finance Team
Risk Management	This has been addressed in section 5 of the report.	Section 151 Officer & Finance Team
Financial	The budget strategy and the MTFS impact upon all activities of the Council. The future availability of resources to address specific issues is planned through this process. It is important that the committee gives consideration to the strategic financial consequences of the recommendations in this report.	Section 151 Officer & Finance Team
Staffing	The recommendations do not have any staffing implications.	Section 151 Officer & Finance Team
Legal	<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> <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.</p> <p>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</p>	Deputy Head of Legal

	<p>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	Privacy and Data Protection is considered as part of the development of new budget proposals. There are no specific implications arising from this report.	Policy and Information Team
Equalities	The MFTS report scopes the possible impact of the Council's future financial position on service delivery. When a policy, service or function is developed, changed or reviewed, an evidence-based equalities impact assessment will be undertaken. Should an impact be identified appropriate mitigations will be identified.	Equalities and Communities Officer
Public Health	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Head of Finance
Crime and Disorder	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team
Procurement	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team
Biodiversity and Climate Change	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Head of Finance

2. INTRODUCTION AND BACKGROUND

Medium Term Financial Strategy

- 2.1 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.
- 2.2 The approach to drawing up the MTFS and budget for 2025/26 was presented to the Climate Transition, Corporate and Environmental Services Policy Advisory Committee on 8th July 2024. It is assumed that the council will need to generate additional income to offset increased costs. The increase can be delivered by increases to fees and charges, in line with the principles set out below, or by increased volumes. Note that, as many fees and charges are fixed by statute, or can only be increased at intervals of say 5 years, increases for individual services may be well in excess of the average in any one year. Any failure to increase fees and charges would require further options to be considered in order to balance the budget.

Fees and Charges

- 2.4 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.
- 2.5 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.
- 2.6 A charging policy (attached at Appendix B 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.

- 2.7 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.
- 2.8 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.

Fees and Charges for 2025-26

- 2.9 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.
- 2.10 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 MTFS for 2025/26 onwards. The detailed results of the review carried out this year are set out in Appendix A and the approval of the committee is sought to the amended fees and charges for 2025/26 as set out in that Appendix.
- 2.11 Table 1 below summarises the 2023/24 outturn, 2024/25 estimate and the proposed income for 25/26 from 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 include volumetric changes being considered as part of the budget. These changes would be due to changes in demand.

- 2.12 The increase in income if these changes are agreed and implemented as planned is expected to be £600 which amounts to a 15.4% increase in the budgeted income figure for this committee for the current financial year.

Fees and Charges

Service Area	2023-24 Outturn £	2024-25 Estimate £	Proposed change in income £	2025-26 Estimate £
Community Protection	1,050	3,900	600	4,500
Total income	1,050	3,900	600	4,500

Table 1: Discretionary Fees & Charges Summary - HCC

- 2.13 Detailed proposals are set out within Appendix A to this report, and considerations relating to these proposals have been summarised below.
- 2.14 Community Protection – Increase in Stray dog charges reflecting the costs of service. Pest control charges are being removed as the services are no longer provided by MBC. Fixed penalty notices have no increase, these are set by order.

Budget Survey

- 2.15 Public consultation on the budget has been carried out. Details are set out in Appendix C and D. 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

- 2.16 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
 - Increase the service provided.
 - Don't know.
- 2.17 The key points from the responses are (Appendix C):
- The top three mandatory services that respondents said should be maintained were Waste Collection (75.2%), Environmental Services (56.8%), and Building Control (55.7%).
 - The top three mandatory services which respondents said should be reduced were Democratic & Electoral services (40.8%), Council Tax & Benefits (27.3%).and Planning (26.7%)
 - The top three discretionary services which respondents said should be maintained were Bereavement Services (65.6%), Museums (64.5%) and Commercial Waste Services (62.0%).

- The top three discretionary services which respondents said should be reduced were Civic Events (27.5%), Markets (26.6%) and Hazlitt Theatre and Arts Centre (17.6%).
- Investment priorities – infrastructure including flood prevention and street scene remain the highest priority.

2.18 We have also compared the changes between the 2023 and 2024 surveys (Appendix D). 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.

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

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

3. AVAILABLE OPTIONS

3.1 Option 1

The committee could recommend approval to adopt the fees and charges as proposed in Appendix A. 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 recommend alternative charges to those set out within Appendix A. 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 2025-26. 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 recommend 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 2025-26.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 The Cabinet must recommend to Council at its meeting on 19 February 2025 a balanced budget and a proposed level of Council Tax for the coming year. The budget proposals and Fees and Charges included in this report will allow the Cabinet to do this. Accordingly, the preferred option is that this Committee agrees the Fees and Charges at Appendix A.

5. RISK

- 5.1 The Council's finances are subject to a high degree of risk and uncertainty. The draft MTFS includes an evaluation of the Council's financial resilience, from which it can be seen that it has adequate, but not excessive, reserves and is positioned well to manage the financial challenges that it faces.
- 5.2 In order to address risk on an ongoing basis in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each of its meetings.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Climate Transition, Corporate and Environmental Services Policy Advisory Committee (8th July 2024) received details of MTFS which sets principles for delivery of a balanced budget for 2025/26.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The timetable for developing the budget for 2025/26 is set out below.

Date	Meeting	Action
5 February 2025	Cabinet	Agree 25/26 final budget proposals for recommendation to Council
19 February 2025	Council	Approve 25/26 budget

8. REPORT APPENDICES

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

- Appendix A: Fees and Charges Proposals 2025/26
 - Appendix B: Fees and Charges - Charging policy
 - Appendix C: Budget Survey 2024
 - Appendix D: Comparison of 2023 and 2024 Service Spending Survey Responses
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9. BACKGROUND PAPERS

There are no background papers.