

Fees and Charges (Samantha Cooper, Finance)

Synopsis of report:

To recommend the proposed fees and charges under this Committees remit for the next financial year.

Recommendation(s):

The proposed fees and charges as set out in Appendix A are approved to be effective from the dates within the appendix or as soon as practical thereafter.

1 Context of report

- 1.1 The current fees and charges were agreed twelve months ago at the committee meeting in November 2021.

2 Report

- 2.1 The Council Constitution provides delegated authority to Officers to alter fees, charges and prices without reference to Committee in order to respond to market conditions, new needs, changes in tax rates, and so on. Nonetheless, the annual review of charges still remains an important part of the overall budget setting process and the policy framework for service provision in general.
- 2.2 As part of the budget setting process, Service Managers are requested to review their charges each year. Members have previously agreed that officers put forward recommended increases based on:
- Current market conditions
 - Local competition
 - The likely yield of any fee increase
 - On-going savings targets and revenue reduction programmes
- 2.3 Members have accepted that in some service areas it may not be possible to significantly increase fees, and in others it may be necessary to decrease them to stimulate demand, however in order to counteract the high levels of inflation officers were asked to aim for an average of 8% for discretionary locally set charges where to do so would not be detrimental to the service.
- 2.4 This report reviews current levels of fees and charges, with a view to helping to balance next year's budget and is a key strand of the Council's Medium Term Financial Strategy.
- 2.5 The fees and charges proposed by service managers for next year are set out at Appendix A along with the dates that they will take effect. The appendix includes a Yield column showing the budget for each charges/group of charges, so that Members can estimate the financial implications of any price rises.

3 Resource implications

- 3.1 Individual fees and charges:-

3.2 Local land charges:

The aim is to recover the full cost of operating the Land Charges service by breaking even over each three-year period, while having due regard to pricing in the market from competitors. The account has been in deficit for the last two years and it is estimated it will

be in deficit for 2022/23. By increasing some fees between 7.89 – 11.11%, it is estimated the account will breakeven in 2023/24 without affecting demand for the service.

3.3 Council tax and Business rates – court costs:

The Council Tax and Business Rates court costs are partially statutory fees, and the Council must apply to the Courts for any increase. The fees are required to be set at no greater than cost recovery, including officer time, and while these costs are likely to increase due to inflationary pressures on the Council, the ability to pay of those affected by these charges will also be highly impacted. Any increase in costs will impact on those most struggling to pay, whether that be for Council Tax or Business Rates. A straw poll of Surrey Authorities indicated that no other District or Borough in the area is planning to increase these charges in the current climate. Officer recommendation is to hold the charge at the existing level for 2023/24.

3.4 Freedom of Information/Environmental Information Request:

The fee for staff time (where chargeable) has been set at £25 per hour.

3.5 Corporate properties:

This committee includes the fees and charges for garages. The fees for garage rents are to be increased by 25pence per week if included with a council property and 30pence for private rental, plus VAT where appropriate.

3.6 A number of new fees have been introduced by Assets and Regeneration, the aim of the new fees and charges is to fairly recover the cost of carrying out tasks at the request of third parties.

3.7 Civic centre accommodation:

The accommodation fees have been increased by approximately 8%..

4. Legal implications

4.1 Where the status of a charge is marked as 'statutory' the Council is required under the law to levy a fee. Where the status is given as 'discretionary' the Council may amend the fee charged or choose to make no charge for the service.

5 Equality implications

5.1 Where any major changes to the structure of any charging regime are proposed, an Equality Impact Assessment will have been completed by the relevant Budget Manager.

6. Environmental/Sustainability/Biodiversity implications

6.1 There are no direct implications from the setting of fees and charges. Environmental, Sustainability and Biodiversity implications are reviewed as part of overall service area planning and decision making.

7. Timetable for Implementation

7.1 The proposed fees and charges as set out in this report are to be effective from the dates within the appendix or as soon as practical thereafter.

8. Conclusions

8.1 High inflation is a cost to the Council as well as to our customers. Setting fees and charges is a fine balance between generating income for the Council to help support and maintain services and ensuring that the service will not be adversely affected by a drop in usage through over-pricing.

(To resolve)

Background papers

None stated