

Report title	Fees and Charges 2024/2025
Report author	Jill Stockdale / Helen Clark
Department	Financial Services / Environmental
Exempt	No

Purpose of report:

To Resolve.

Synopsis of report:

To set out the context and rationale for changes to fees and charges for the next financial year for the services managed by this committee and to recommend that the proposed fees and charges are adopted as set out.

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 and background of report

- 1.1 The annual review of charges is an important part of the overall budget setting process and the policy framework for service provision in general.
- 1.2 Whilst the Council’s Constitution places initial fee setting with each service committee, it also provides delegated authority to Officers to alter fees, charges and prices without reference to a Committee, in order to respond to market conditions, new needs, changes in tax rates, and so on.

2. Report and, where applicable, options considered and recommended

Methodology

- 2.1 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

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 an average of 5% for discretionary locally set charges should be aimed for as the financial plans of the Council assume at least an inflationary increase.

- 2.2 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.
- 2.3 The fees and charges proposed by service managers for next year are set out at Appendix 'A'. The appendix includes a Yield column showing the next year's budget for each charge/group of charges, so that Members can estimate the financial implications of any price rises.

Premises and Alcohol related Licences

- 2.4 All the fees under the Licensing Act 2003 are set by statute. The Licensing Act 2003 listed the fees and charges which we have to make as a local authority. These fees and charges are set by statute and have not changed since their introduction. This means that as inflation increases the cost base, the net cost of running the service increases. The estimated deficit for 2024/25 is £25,100.

3. Policy framework implications

- 3.1 There are no policy framework implications.

4 Resource implications/Value for Money

- 4.1 At the start of the 2023/24 financial year, the Council had an ongoing budget deficit estimated to be £5.2m by the end of 2026/27 that needed to be addressed. This included an assumption that fees and charges would increase by 2% each year. The setting of fees and charges is an important tool in helping to address this situation and maximising income from services should be a priority.
- 4.2 In setting fees and charges there is a fine balance to be struck between trying to recover the cost of running services and not alienating our customers by making the charges unaffordable. In undertaking their reviews managers must balance these risks whilst at the same time trying to generate additional income to contribute towards the Council's ongoing budget deficit. Consideration should also be given to the cost of pay-to-use services, so that those choosing not to avail themselves of those services, are not carrying the burden, through taxation, of subsidised services for others.
- 4.3 Once agreed, the fees and charges will be included as part of the 2024-25 budget and the effects of any increases/reductions in the charges will be incorporated into the figures for the appropriate service areas.

5. Legal implications

- 5.1 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.

6. Equality implications

6.1 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.

7. Environmental/Sustainability/Biodiversity implications

7.1 The annual setting of existing fees and charges has no environmental, sustainability or biodiversity implications. Any change to a structure or the inclusion of new charges that have any such implications will be set out in a separate report to Committee.

8. Timetable for Implementation

8.1 The proposed fees and charges will not take effect until 1 April 2024 or as soon as practicable thereafter unless a different date is set out in the Appendix.

9. Background papers

None

10. Appendices

Appendix 'A' Proposed Fees & Charges for 2024/25