

Report title	Fees and Charges 2024/25
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Department	Community Services
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 that:
The proposed fees and charges as set out in Appendix ‘A’ be 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.

Meals at Home:

- 2.4 The costs of providing the service have increased due to increased food prices. The increase in food prices last year was not passed on to residents, but from 2024 we need to go some way to covering our costs.
- 2.5 The current charge for centre meals and Meals at Home (provided Monday to Friday) for two courses is £4.60, and for three courses, £5.00. It is proposed from April 2024 to increase the two course meals by 40p to £5.00 per meal, which represents an 8.7% increase. The three-course meal will be discontinued from April 2024 (although residents are able to purchase an additional course).
- 2.6 It is also proposed that the cost of providing meals at weekends is increased from £5.20 to £5.75 for a two-course meal (an increase of 10.58%). It is proposed that the three-course meal be discontinued from April 2024.
- 2.7 It is also proposed that afternoon teas are increased from £3.00 to £3.25 (an increase of 8.33%) for 2024/25. Additional courses are increased from £1.15 to £1.25 an increase of 8.70%.
- 2.8 Revenue generated from the service has declined since Covid and an enhanced marketing strategy will be put in place to reach more users of the service and generate increased uptake.
- 2.9 The fees and charges have been benchmarked against other Councils and Runnymede's prices remain competitive. The increases go some way to cover the inflationary increases for food, fuel, and overheads.

Community Transport:

- 2.10 2024 sees the potential loss of contracts which will cause revenue reduction. The loss of key contracts has led to an ongoing internal review and rationalisation of the service. Day centre and dial a ride continues to be a key revenue stream for the service which will influence any decisions to come out of the transport review.
- 2.11 Community Transport is proposing to increase the cost of a return trip day centre fare by 40p from £4.60 to £5.00, this represents an increase of 8.7%. It is also proposed that the cost of the dial a ride service for journeys within one zone be increased by 35p from £3.65 to £4.00 (9.59% increase) and journeys to each subsequent zone be increased from £2.85 to £3.15, which is an increase of 10.53%.

- 2.12 The increases keep us competitive in the market when compared to other Councils, but this will be impacted following the transport rationalisation work being carried out internally as part of the review of the service.

Careline Charges:

- 2.13 Careline Charges were last increased in 2014. The Careline charge at Runnymede has been benchmarked against other Councils and it is proposed that the fee be increase by 5%, which is competitive in the market for a comparable service. This increases the weekly charge from £4.90 to £5.15.

Other Day Centre Charges:

- 2.14 Centre Lettings - It is proposed that fees and charges for 2024/25 increase by 8%. There are two charging structures recommended for 2024/25. The Community rate for Eileen Tozer, Manor Farm, Woodham, and New Haw remains for 2024 increasing from £25.50 to £27.54, and the Commercial hire only available for hire on Saturday increased from £55.00 to £59.40.
- 2.15 Due to demand, Commercial Hire for use of the Wellbeing Centre 15-person auditorium at Manor Farm for 2024 will be a new charge from 2024/25. The auditorium will be available to hire Monday – Sunday, please see Appendix 'A' for the pricing structure.
- 2.16 Hairdressing salons and the Chiroprapist remain unchanged due to lack of demand since reopening after Covid, with increased marketing being key to getting the service back on track.

Community Development:

Chertsey Museum:

- 2.17 Museum - The Museum Curator has reviewed the current prices and where possible has built in an increase for the 2024/25 fees and charges. However, where it is felt necessary to stimulate or maintain demand, prices have been frozen. Due to the number of different activities held at the museum, it is impractical to list each item in this report. The full list of charges is available via the education catalogue on the museum's website.
- 2.18 The fees and charges at the museum run in line with the school academic year and will therefore not be introduced until September 2024.

Community Halls

- 2.19 It is proposed that the fees and charges for 2024/25 are increased by 8%. However, it is recognised that in isolation such an increase would contradict the report brought to the Community Services Committee Meeting in July 2023, relating to the issues with the charging structure and it potentially resulting in a low uptake by potential hirers and the loss of existing hirers. This has attempted to be incorporated for 2024/2025 by having three tiers of charging as opposed to two, as at present. The additional charging tier will reflect the discounted fees approved until March 2024 by Members previously, using these to create a "commercial with community benefit" charging tier. Please see Appendix 'A' for the pricing schedule.

The functions packages, and equipment use charges will be discontinued from 2024 due to low uptake. Any requests for events bookings such as a wedding reception will be priced on application.

Tennis Courts

- 2.20 Tennis Fees - The tennis courts opened to the public on 16 August 2023, located at Victory Park, Ottershaw Memorial Fields, Heathervale Recreation Ground, Gogmore Farm Park, and Chertsey Rec. Since opening there has been uptake of membership and the courts are starting to generate revenue. As the courts have not been open for a full year, and we have not seen the level of uptake they can achieve over the summer season the fees and charges for 2024/25 will remain unchanged, at £36 for an annual pass, and £5 for pay and play.

Safer Runnymede:

- 2.21 Safer Runnymede – It is proposed that the fees are increased by 9%. There has been increased demand for the service offered, and the increase will cover the administrative costs to collate and send the information.

3. Policy framework implications

- 3.1 There will be a number of instances of specific policies within specific services which require fees and charges to be levied in respect of various activities. Some of these will be discretionary and some statutory. In considering this report and reviewing its individual fees and charges, the Council is complying with the requirements of these policies.

4. Resource implications/Value for Money (where applicable)

- 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 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 set by Government. 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 practical 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