

Report title	Corporate Management Committee Proposed Fees and Charges 2024/25
Report author	Samantha Cooper / Amanda Fahey
Department	Financial Services / Corporate
Exempt?	No
Exemption type	not applicable
Reasons for exemption	not applicable

Purpose of report:
For approval

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 'X' 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 "X". 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.

Local Land Charges Changes

- 2.4 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 three years and it is estimated it will be in deficit for 2023/24. By increasing fees between 7.69 – 28.57% it is estimated this will reduce the deficit from 2024/25.
- 2.5 Every local authority is required to migrate its Local Land Charges register service to His Majesty's Land Registry (HMLR). HMLR has escalated its migration programme and has allocated Runnymede for migration in 2024/25. Once the migration has completed Runnymede will no longer receive income from LLC1 fees, this will result in the loss of income of £50,000 pa.

Council Tax and Business Rates – Court costs

- 2.5 The setting of Council Tax and Business Rates court costs are governed by Regulation 34(7) of the Council Tax (Administration and Enforcement) Regulations 1992 and Regulation 12(6) of the Non-Domestic Rating (Collection etc) Regulations 1989. The fees are required to be set at no greater than cost recovery, including officer time, and must be reasonably incurred and genuinely attributable to the enforcement process. 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. Runnymede have not increased their portion of the court these costs since April 2009 and have been subsidising the actual costs for many years to try to reduce the impact of increased costs during the pandemic and economic climate. Increasing the fees towards the cost recovery method set out in regulations, avoids cross subsidisation by other taxpayers, meaning that only those who have failed to pay sums due, and have not engaged with the Council for support with payment where appropriate, will be paying for these avoidable costs.
- 2.6 A breakdown of the proposed fee is required to be submitted to the Court, who will consider whether the sum sought is reasonable based on the information provided

Freedom on Information/Environmental Information Request

- 2.7 As per the Regulator, the cost limit for Freedom of Information requests is calculated at a flat rate of £25 per hour of work. For central government departments the cost limit is £600 (24 hours of work). For all other public authorities, the cost limit is £450 (18 hours of work). The staff hourly rate for Environmental Information requests was set at £25 per hour. These fees have not been increased since they were introduced in April 2019.

Corporate Properties

- 2.8 This committee includes the fees and charges for garages. The fees for garage rents are to be increased by 35 pence per week if included with a council property and 40p pence for private rental, plus VAT where appropriate. This is a small increase to reflect increasing costs of maintenance but lower than inflation as demand for these garages is steadily decreasing as the stock ages and is sensitive to price increases, any higher would likely lead to a loss of sales.

Other Corporate Property fees and charges are to increase by 5% in line with general inflation expectations.

Civic Centre

- 2.9 The accommodation fees have increased by approximately 5%. Rooms are often booked to capacity by Runnymede and Surrey County Council staff, there is minimal opportunity to rent to third parties.

Sale of Agendas and Civic Publications

- 2.10 These fees have increased by 90%, this reflects the increased cost of printing.

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 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 practical thereafter unless a different date is set out in the Appendix.

9. Background papers

- None

10. Appendices

- Proposed Fees & Charges for 2024-25