

<b>Report title</b>	<b>Planning Committee Proposed Fees and Charges 2024/25</b>
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<b>Department</b>	Financial Services / Planning
<b>Exempt?</b>	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.

#### Development Management

- 2.4 The management of development through the determination of applications in a positive and proactive manner, and in a timely manner. Planning applications fees are currently set by statute.

The Government has confirmed that draft regulations have been introduced, and from the 1 April 2024 the charge for major applications will be increased by 35%, and all other application fees by 25%, and from the 1 April 2025 all fees will be increased by the consumer price index as at the previous September, but any increase will be capped at 10% and in the event of deflation the fees will not be adjusted.

The changes for the council's pre- application advice service were increased on the 1<sup>st</sup> February 2022 and we are therefore not proposing a review at this time.

#### Building Control

- 2.5 The Building (Local Authority Charges) Regulations 2010 aim to allow local authorities to respond to competition from the private sector by devolving the setting of charges for some building control functions. The regulations require authorities to prepare systems within which they will fix and recover charges for the performance of the prescribed building regulation control functions. The aim is to recover the full cost of operating a building service by breaking even over each three years.

We are therefore recommending that the charges should be increased by 50% from the 1 April 2024.

#### General

- 2.6 Where possible we have tried to increase all other discretionary fees and charges, either by current inflation of 6.7% or by the expected inflation as at April 2024 of 5%

### **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**

- 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