

2022/23 Fees and Charges

Cabinet	18 November 2021
Report Author	Chris Blundell, Acting S151 Officer
Portfolio Holder	Cllr David Saunders, Cabinet Member for Finance
Status	For Recommendation
Classification:	Unrestricted
Key Decision	Budget and Policy Framework
Ward:	All

Executive Summary:

A review of fees and charges has now been completed as part of the 2022-23 budget setting process. The review of fees and charges commenced in the early summer and proposed fees and charges (as detailed in Annex 1) are based on a broad 2% increase, which is expected to generate additional income of around £125k. This excludes items such as Selective Licensing, On Street Parking and specific growth items covered elsewhere in the budget. It should also be noted that it is proposed to freeze the majority car parking charges for 2022-23.

The proposed schedule of fees and charges was reviewed by the Cabinet Advisory Group (CAG) at its meetings on 14 September and 13 October and recommendations have been made by the CAG for Cabinet's consideration, including:

- that cabinet considered establishing a pilot scheme to examine the benefits and feasibility of operating a reduction in parking charges based on carbon emissions, this would mean amending Fees and charges to include a £10 admin fee for permits linked to this scheme.
- that Members recommended to Cabinet that the charge for collection of garden waste be increased to £55 for 2022/23
- that Members recommended that Finance look at individual items in the crematorium service and make adjustments to include inflationary factors and come up with new charge figures.

However, as the fees and charges setting process developed it has become apparent that the rate of inflation in the economy is significantly higher than the 2% baseline that was applied for next year; with the Consumer Price Index (CPI) at 3.1% in September and forecast to peak above 4% over the coming months.

Consequently, Cabinet is asked to consider updating the fees and charges schedule so that a broad 3% increase is applied instead of the 2% baseline. Subject to Cabinet's approval, the fees and charges schedule would be updated to reflect this and then would be recommended to Council for approval.

Recommendation(s):

1. That Cabinet agrees the fees and charges schedule be updated to be based on a 3% increase, alongside the consideration of the recommendations made by the CAG (highlighted in para 3.2), and recommends to Council for approval.

CORPORATE IMPLICATIONS

Financial and Value for Money

The financial implications have been reflected within the body of the report. However, were members to decide to reject any of the proposals, then additional savings of the same value would be required to deliver a balanced budget.

Legal

Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to keep control of the council's finances. For this council, it is the Director of Finance (Acting S151 Officer), and this report is helping to carry out that function.

Local authorities have a variety of powers to charge for specific statutory services as set out in section 42 of the Local Government Act 2003.

The power to charge for discretionary services is not available to local authorities if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.

The Localism Act 2011 provides local authorities with a general power of competence that confers on them the power to charge for services but again subject to conditions/limitations similar to those noted above.

Any decision made by the council must give due regard to the Public Sector Equality Duty section 149 of the Equality Act 2010.

Corporate

Corporate priorities can only be delivered with robust finances and this report gives Members the opportunity to review the council's proposed fees and charges for 2022-23 as part of the budget process.

Equalities Act 2010 & Public Sector Equality Duty

Members are reminded of the requirement, under the Public Sector Equality Duty (PSED) (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

The Equality Act 2010 (the “Act”) came into force on 1 October 2010 and brings together over 116 separate pieces of legislation in order to create a framework to protect the rights of individuals and advance equality of opportunity for all.

The Equality and Human Rights Commission recognises that with major reductions in public spending, local government has to make difficult and often unpopular decisions regarding funding and service provision. Thanet District Council has statutory public sector equality duties concerned with eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on the basis of protected characteristics such as gender, race, disability or age. These duties do not prevent the council reducing services or charging where necessary - provided that decisions are taken in accordance with the Act.

An Equality Impact Assessment (“EIA”) is not a legal requirement in England, but it is an established and credible tool for demonstrating due regard to the public sector equality duty, which is required by law. Thanet District Council, taking its obligations as seriously as it does, had the Policy Owner for each proposed fee and charge, complete an EIA.

An analysis of the impacts fees and charges might have to the statutory equality duties encouraged Thanet District Council to take a proportionate approach to fees and charges. EIAs tailored the necessary mitigations and exceptions, for example.

The council is satisfied that, in all the circumstances, the Schedule of 2022-23 fees and charges, those subject to an EIA, are lawful for the purposes of the public sector equality duties in the Equality Act 2010.

The council recognises that EIAs are not an end in themselves. They are, of course, a way of showing that due regard has been paid to the general duties; but the council will continue, all-the-time, engaging with the equality considerations, accepting comments and opinions from stakeholders and maintain a positive relationship with the Equality and Human Rights Commission.

Corporate Priorities

This report relates to the following corporate priorities: -

- Growth
- Environment
- Communities

1. Introduction and Background

- 1.1. This report sets out proposed the fees and charges for 2022-23. Fees and charges have historically been agreed early in the budget cycle so that they can be built into individual service estimates. This covering report summarises the main points, with the details being provided in Annex 1.
- 1.2. The fees and charges setting process for 2022-23 started early in the summer. A rigorous examination of all the council’s fees and charges was undertaken by the service

managers, using techniques such as benchmarking and other in-depth reviews. A broad 2% increase was applied as set out in the 2021-25 Medium Term Financial Strategy.

- 1.3. Service managers also completed Equality Impact Assessments as per the requirement of the Public Sector Equality Duty and hence informed their design of the service and price.
- 1.4. Key changes to bring to Members' attention include:
 - 1.4.1. **Parking Off Street** - A freeze in the majority of existing parking charges, plus the introduction of a new fee for Motorhome/Caravan and Barnes car park and an increase in Residents Voucher scheme.
 - 1.4.2. **Parking On-Street (Decrim)** - A freeze in the majority of existing parking charges, plus a new Residents Parking Permit areas at Margate Old Town and Ramsgate Harbour.
 - 1.4.3. **Crematorium** - Re-introduction of fee for under 18 years, however this charge can be recovered in full via a claim from the Children's Fund i.e. no cost to the families.
 - 1.4.4. **Cemeteries** - Re-introduction of fee for under 18 years, however this charge can be recovered in full via a claim from the Children's Fund i.e. no cost to the families.
 - 1.4.5. **Enforcement** - Introduction of Education Courses instead of Fixed Penalty Notice.
 - 1.4.6. **Cultural and Outside Events** - Realignment of the scheme.
 - 1.4.7. **Planning** - New fees for further pre-application advice

2. Implications

- 2.1. Annex 1 to this report sets out the proposed level of fees and charges for 2022-23 in respect of services provided by the council. A target of a 2% increase was set for all charges at the outset of the fees and charges process. As a result of reviewing all the council's fees and charges, additional income of £125K is anticipated in 2022-23. Table 1 compares 2021-22 to the proposed 2022-23 fees and charges. The proposals represent an increase in income of 1.1%. Some charges have remained at 2021-22 prices; others have increased to reflect parity with other authorities and some to cover the cost of providing the service.

Table 1 – Comparison with previous year

	2021-22	2022-23
Income Increase	£200,000	£125,040
Percentage Increase	2.0%	1.1%

- 2.2. The major changes proposed to fees and charges 2022-23 are summarised in Table 2.

Table 2 – Summary of major changes

2022-23 Fees & Charges		Major Changes		
Ref	Type of Fees & Charges	New Fees	Deleted Fees	Increased Fees
1.	Car Parks – Off Street	✓	•	✓
2.	Car Parks – On Street	✓	•	✓
4.	Crematorium	✓	✓	✓
5.	Cemeteries	✓	•	✓
6.	Commercial Waste	•	•	✓
7.	Refuse - Bulky	•	•	✓
8.	Green Waste	•	•	✓
13.	Enforcement	✓	•	•
23.	Cultural and Outside Events	✓	✓	✓
27.	Planning	✓	•	✓
Note: A tick shows that there has been a change. A blank means no change.				

2.3. However, as the fees and charges setting process developed it has become apparent that the rate of inflation in the economy is significantly higher than the 2% baseline that was applied for setting fees and charges for next year; with the Consumer Price Index (CPI) at 3.1% in September and forecast to peak above 4% over the coming months.

2.4. Consequently, Cabinet is asked to consider updating the fees and charges schedule so that a broad 3% increase is applied instead of the 2% baseline. Subject to Cabinet's approval, the fees and charges schedule would be updated to reflect this and then would be recommended to Council for approval.

3. Fees & Charges Cabinet Advisory Group

3.1. The Fees and Charges Advisory group was set up to:

- advise Cabinet on an approach for setting future fees and charges proposals (starting with the car parking charges for 2020/21);
- consider this advice within the context of the requirement to achieve a minimum annual increase of £200,000 from fees and charges, in order to support the delivery of a balanced budget;
- consider benchmarking information;
- consider how charging is used to manage demand for a service;
- consider how charging affects accessibility for service users;
- report back to Cabinet through the Chairman of the cabinet advisory group.

3.2. As a result CAG met on the 14 September and the 13 October and the following recommendations were made:

- that cabinet considered establishing a pilot scheme to examine the benefits and feasibility of operating a reduction in parking charges based on carbon emissions, this would mean amending Fees and charges to include a £10 admin fee for permits linked to this scheme.

- that Members recommended to Cabinet that the charge for collection of garden waste be increased to £55 for 2022/23
- that Members recommended that Finance look at individual items in the crematorium service and make adjustments to include inflationary factors and come up with new charge figures.

4. Options

- 4.1. That Cabinet receives the fees and charges proposals as put and recommend to Council for approval.
- 4.2. That Cabinet agrees the recommendations as suggested by CAG, either in full or part and then recommends to Council for approval.
- 4.3. That Cabinet agrees the fees and charges schedule be updated to be based on a 3% increase and recommend to Council for approval

5. Next Steps

- 5.1. Subject to any feedback required for Cabinet, these proposals will be considered by Council on 9 December 2021.

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Reporting to: Chris Blundell, Director of Finance and acting Section 151 Officer

Annex List

Fees and Charges Schedule 2022-23

Background Papers

None

Corporate Consultation

Finance: N/A

Legal: Estelle Culligan, Acting Monitoring Officer