

Corporate Policy & Resources Committee



19 February 2024

Title	<i>Proposed Fees and Charges for 2024-25</i>
Purpose of the report	To make a decision
Report Author	<i>Paul Taylor Chief Accountant</i>
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Addressing housing needs Resilience Environment Services
Recommendations	Committee is asked to approve the proposed Fees and Charges for 2024-25 for all Committees.
Reason for Recommendation	<i>Fees & Charges are an important source of income for the authority each year and are of key importance in balancing the Budget.</i> <i>The 2024-25 Fees & Charges must be approved by this Committee and published on the Council website by 1 April 2024.</i>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> The Council has a legal obligation to set the Fees and charges for 2024-25 and publish them on the Council's website by 1 April 2024. The Committee is asked to review, approve the proposed Fees and Charges for 2024-25 as set out in Appendix A to F for all Committees. In 2023-24, the Cost-of-Living crisis was impacting on residents and the Committee decided to limit the discretionary price increase to 5%, well below the 12% level of inflation. This year, the proposals is 	<ul style="list-style-type: none"> As part of producing a balance budget the Fees & Charges raised from services provided are an important element of the Council's budget account for approximately 22.5% of its total annual Committee Services level Revenue income. To fulfil the Council's statutory obligation to publish a schedule of its 2024-25 Fees & Charges on the Council website by 1 April 2024.

<p>still to limit the discretionary Fees & Charges increase to 5%, except in exceptional circumstances, which is slightly above the predicted level of inflation, and allows the Council to partially recover the shortfall from 2023-24.</p> <ul style="list-style-type: none"> • During the 2024-25 Budget Setting process, this Committee instructed Officers to round up to the nearest whole pound, all discretionary fees, and charges above £25.00. • During the Fees and Charges setting process, the Community Wellbeing & Housing Committee agreed to freeze the Fees and Charges for the Meals on Wheels, OPAL services, with the costs for the hire of the day centres increased to recover the shortfall in income. • Please note that whilst this Committee has the ultimate approval for fees & charges, the proposed changes to Car Parks are subject to a public order notice and taxi licensing fees, need to be ratified by the Licensing Committee. 	
<p>This is what we want to do about it</p>	<p>These are the next steps</p>
<ul style="list-style-type: none"> • Take a view of the proposed Fees and Charges, which are based upon the guidance provided by this committee, i.e., all discretionary fees & charges are increased by at least 5% and all statutory fees & charges are increased to the maximum charge permissible. • Scrutinise the decisions of other Committees in setting their fees and charges. about their recommendations, particularly where the proposed increase does not comply this committee's directive. 	<ul style="list-style-type: none"> • That this Committee review the proposed fees and charges for 2024-25 for each Committee. • Approve the proposed fees and charges for 2024-25

<ul style="list-style-type: none"> • The Committees have focused on the Fees and Charges that yield substantial fees & charges, i.e., over £10,000. • Consider alternative options for the proposed fee & charges. • To ensure that all discretionary services breakeven or are fully subsidised. • Consider strategies for increasing demand for the Council's services and getting residents to use the Council's services more frequently. • Seek to maximise the Council's income from Fees & Charges. 	
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2. Important note

- 2.1 A few days prior to preparing this report a new statutory fee and charge effective from 1 January 2024 came into effect and this has not been reflected in the appendices below.
- 2.2 This information will be available shortly and will be covered by an addendum report from the relevant Budget Manager.

3. Appendices explained.

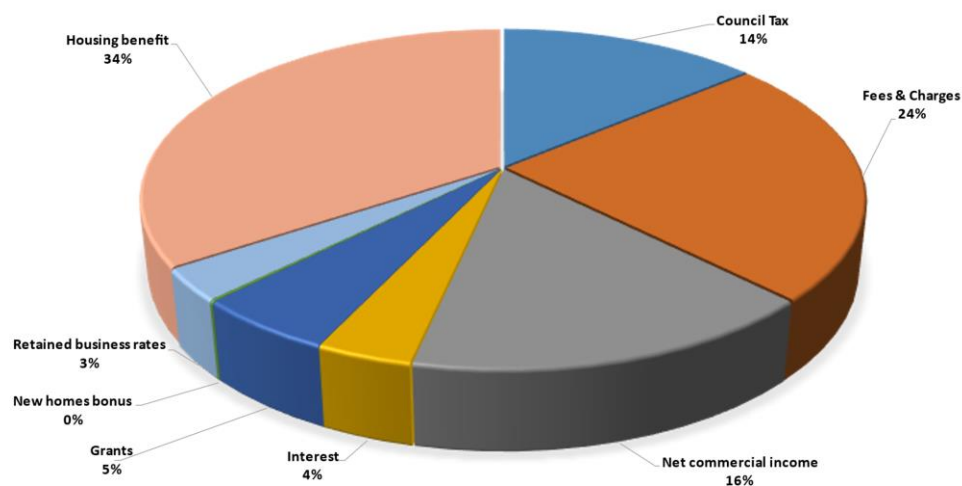
- 3.1 There are six appendices with this report, and they show by Committee the list of proposed statutory and discretionary fees and charges for 2024-25.
- 3.2 The following is then shown for each fee and charge:
- (a) Record number – this is for internal control purposes only.
 - (b) 2023-24 charge – the approved charge for the current financial year
 - (c) 2024-25 charge - the proposed charge for 2024-25.
 - (d) VAT status
 - i) S indicates the standard rate of VAT, currently 20% will be applied to the proposed fee or charge.
 - ii) O indicates zero rate for VAT, i.e., 0%, i.e., no VAT will be applied to the proposed fee or charge.
 - iii) E indicates exempt from VAT, i.e., it is outside the scope of VAT and will not incur any VAT charge.
 - (e) Statute – indicates if the charge is either:
 - i) Discretionary, i.e., this Committee has full control over the amount proposed to be charged.
 - ii) Statutory, i.e., the range of proposed fees and charges are set by a third party, usually a central Government department, who provide

a range of charge, i.e., a lower and upper limit. It is for this Committee to decide where the charge is set, with the proposed recommendation from Corporate Policy & Resources Committee that the council charges the maximum amount permitted by the third part.

4. Key issues

- 4.1 The Council generates £14.9m in fees and charges, which represents 24.0% of the Council's budgeted income for 2024-25 and is an important part of balancing the budget, as shown in the chart below.

2024-25 Revenue Budget – How Gross £62.9m is funded



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- 4.2 Corporate Policy & Resources Committee (CPRC) requested that the following minimum increases in Fees and Charges be applied for 2024-25:

- (a) Five percent increase on discretionary fees and charges.
- (b) Maximum charged for all statutory fees and charges.

Further, at their meeting on 22 January 2024, the Committee instructed officers to increase all discretionary fees and charges over £25.00 to be rounded up to the nearest whole pound.

- 4.3 The Committee must perform a balancing act between maximising additional income that can be generated through fees and charges and setting fee levels which are sustainable whilst not adversely impacting on volume of transactions with our residents and local businesses in the Borough.
- 4.4 All 2024-25 fees and charges proposed by Budget Managers were reviewed by the Senior Management Team and Group Heads in the context of the services concerned and the mandate received from Council.
- 4.5 The Cost-of-Living Crisis has impacted on the Council's fees and charges income in real terms. The funding provided by the Government to assist during the pandemic, was withdrawn and last year (2023-24) Council proposed a 5% increase in discretionary fees, knowing that inflation would be more than this figure.

- 4.6 This was a deliberate decision to aid the residents of the Borough and soften the impact of the Cost-of-Living crisis.
- 4.7 It should be noted that in exceptional circumstances discounted pricing may be considered where an activity supports a strategic priority of the Council to the benefit of a particular community group. Please refer to our new Corporate Plan <https://www.spelthorne.gov.uk/corporateplan>
- 4.8 In presenting the proposed fees and charges for 2024-25 the Committee is acknowledging another challenging year for the Council as it strives to balance the 2024-25 budget.
- 4.9 Individual Committees have discussed and reviewed the proposed fees and charges relating to the services under their remit and have made their recommendations to this committee.
- (a) Community Wellbeing & Housing – are proposing that the fees and charges for Meals on wheels and OPAL services are held at 2023-24 levels, and that the shortfall in income is recovered by increasing the day centre hire charges accordingly.

Noting that whilst Corporate Policy & Resources committee will confirm the proposed 2024-25 fees and charges to council, some fees, and charges, namely, car parks and licensing for taxis will need to go before the relevant Committee for approval and a Public Notice will need to be issued confirming the increases. (This has been noted by Officers and a change in timetable will be made for the 2025-26 Budget Setting Process, so that these proposed charges can come before the relevant Committee in October).

5. Options analysis and proposal

- 5.1 Following guidance from Corporate Policy & Resources Committee in September, every Committee has reviewed and considered each fee and charge and apart from the items in 3.9(a) above, has increased the discretionary fees by a minimum of 5% for the discretionary and to charge the maximum for statutory fees and charges, as the only option.
- 5.2 Further, at this Committee's meeting on 19 January, the Committee approved the rounding of all discretionary fees over £25.00 to the nearest whole pound.

6. Risk management comments

- 6.1 If this Committee does not approve the Fees and Charges for 2024-25 by 31 March 2024, at the latest, the Council will not be able to impose the Fees and Charges on the users of our service.
- 6.2 Reduced fee income combined with other financial pressures facing the Council could have an impact on the Council's ability to deliver services to its residents and communities.
- 6.3 The ongoing impact of the Cost-of-Living Crisis may present challenges for residents and local communities in paying for the Council's (fee paying) services. It is acknowledged earlier in this report that the Committee must perform a balancing act between maximising additional income that can be generated through fees and charges during financially challenging times and setting fee levels which are sustainable whilst not adversely impacting on volume of transactions with our residents and local businesses in the Borough. Budget monitoring processes provide a mechanism to ascertain actual levels of fee income being received into the Council's accounts.

7. Procurement comments

7.1 There are none.

8. Legal comments

8.1 Please note that for Statutory Fees and Charges, the price is set centrally by third parties, usually central Government.

9. Other considerations

9.1 There are none.

10. Equality and Diversity

10.1 The Fees and Charges list, levy a reasonable charge on the people who use the services, where this Committee becomes aware that a proposed increase in a fee or charge will have an impact on a particular cohort of residents, it will consider undertaking a quality impact assessment before implementing a proposed increase.

11. Sustainability/Climate Change Implications

11.1 There are none.

12. Timetable for implementation

12.1 Once agreed by this Committee, the fees and charges proposed are to be implemented from 1 April 2024.

13. Contact

13.1 Paul Taylor Chief Accountant – p.taylor@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix A – 2024-25 Fees & Charges for Corporate Policy & Resources Committee

Appendix B – 2024-25 Fees & Charges for Administration Committee

Appendix C – 2024-25 Fees & Charges for Community Wellbeing & Housing Committee

Appendix D – 2024-25 Fees & Charges for Economic Development Committee

Appendix E – 2024-25 Fees & Charges for Environment & Sustainability Committee

Appendix F – 2024-25 Fees & Charges for Neighbourhood Services & Enforcement Committee