

## CABINET

23<sup>rd</sup> February 2023

### Report of the Leader of the Council

#### Corporate Review of Fees and Charges 2022/23

#### **EXEMPT INFORMATION**

None

#### **PURPOSE**

This is a key decision as it affects two or more Wards and involves income over £100k.

To seek approval for the proposed increase to fees and charges payable, and introduce some additional fees.

#### **RECOMMENDATIONS**

1. To implement the annual inflationary increase for the fees and charges and implement new charges commencing on 1<sup>st</sup> April 2023 as detailed in Appendix 1;
2. To endorse increases in the charges applied for goods sold through the catering bar and shops throughout the year as these are based on cost price plus a margin.

#### **EXECUTIVE SUMMARY**

Financial regulations state that the setting and reviewing of fees, charges and other income sources must be authorised in accordance with the detail set out in the Constitution and the Scheme of Delegation, under the General Delegations of Powers and Duties to Authorised Officers, which states:

In consultation with the Executive Director Finance and where necessary the Portfolio Holder, to set, unless the charge requires Cabinet approval, rent, fees, charges and other income levels unless any changes:-

- Exceed inflation by more than 3% and/or
- Involve a change in policy; or
- Potentially have significant political implications.

A review of fees and charges has been undertaken as part of the budget setting process to ensure that each charge is appropriate and achieving its objective. Where charges are intended to either break even or maximise income, analysis has been carried out to look at the total costs of providing the service to understand what the position is. Some services have taken this review a stage further and reviewed benchmarking data to understand how our fee rates compare to our nearest neighbours. This has resulted in some specific increases in fees and charges to

ensure the Council is covering costs and charges are in line with nearest neighbours.

The review has not covered all service areas as they may be subject to other ongoing work around reviewing charges such as planning and car park fees. These will be reported separately once the review is complete.

No increase is proposed for many fees and charges at the Castle, with some areas increasing by 2.5%.

There are some fees and charges that are set by statute or are required to break even and not make a surplus, these fees have not been covered by this review but will increase in line with statutory guidance.

The report also excludes ground rents, service charges for HRA properties, commercial rents and charges for bed and breakfast as these are outside the scope of this review. Temporary accommodation charges will be dealt with separately under a report planned for Cabinet 16<sup>th</sup> March 2023, and charges with regard to the HRA will be considered as part of the HRA business planning review to be reported later in the year.

The consumer price index (CPI) rose by 10.5% in the twelve months to December 2022. In making any decisions about increases to fees and charges it is important to balance the need to cover costs, particularly when inflation is high, whilst not discouraging customers to take up the services from the Council.

The suggested increases to fees and charges per service is set out at Appendix 1. The increases have been highlighted as detailed below:

- Green – increase at 10% or above
- Blue – increase below 10%
- Yellow – new charges being introduced

## **RESOURCE IMPLICATIONS**

Increases in fees and charges have already been included in the Medium Term Financial Strategy reported elsewhere on this agenda, provided that usage levels remain constant.

## **LEGAL / RISK IMPLICATIONS**

The Fees and Charges Policy delegates authority to the relevant officer to apply RPI annual increases in fees and charges.

There is a risk that by increasing the fees and charges across the Council there will be negative feedback and customers will be deterred from using services. This has been mitigated by researching other providers and increasing fees to remain competitive, and the impact will be monitored closely through the Quarterly Performance Reports.

## **EQUALITIES IMPLICATIONS**

None

## **ENVIRONMENT AND SUSTAINABILITY IMPLICATIONS (INCLUDING CLIMATE CHANGE)**

None

### **REPORT AUTHOR**

If Members would like further information or clarification prior to the meeting please contact Stefan Garner, Executive Director Finance – tel. 709242

### **LIST OF BACKGROUND PAPERS**

Fees and Charges Policy December 2022  
Financial Guidance

This page is intentionally left blank