

## CABINET

14 February 2023

### FEES AND CHARGES

#### Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

Strategic Aim:	All	
Key Decision: No	Forward Plan Reference: FP/140422	
Exempt Information	No	
Cabinet Member(s) Responsible:	Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation	
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Ward Councillors	N/A	

#### DECISION RECOMMENDATIONS

That Cabinet recommends to Council:

1. To approve the level of fees and charges for 23/24, set out in Appendices A, B and C.
2. To approve new fees for:
  - Highways - temporary access vehicle crossing applications and permits on major developments (para 4.3.1)
  - Highways – new developments technical approval process (para 4.3.2)
  - Highways – roadside gullies mapping onto Kaarbon Tech (para 4.3.3)
  - Bulky Waste – including stopping free collections and £3 surcharge (para 4.5.2)
  - Recycling and Residual Waste bins for new build properties (para 4.5.5)
  - A new monitoring and management fee for the First Home Scheme para 4.8.1)
3. To note that taxi and private hire vehicle licenses fees will be subject to change based on the outcome of forthcoming consultation through a public notice procedure and be brought back for approval following that consultation.
4. To note that Appendix D includes fees set nationally (some are still to be confirmed).
5. To note that fees and charges excluded from this report are listed at 2.3.

## 1 PURPOSE OF THE REPORT

- 1.1 This report sets out the proposals for fees and charges for services provided by the Council for the financial year 2023/24 and is to seek approval for discretionary fees and charges.

## 2 BACKGROUND

### 2.1 Financial Objective

- 2.1.1 Fees and charges represent a significant source of finance for the Council. The Council receives approximately £4.2 million from fees and charges each year. It is important that fees and charges are set at an appropriate level to maximise income to the Council and to recover cost. Main income generating fees and charges (in excess of £50k per annum) are shown below:

Area	Budget 23/24	Details
Planning Application Fees	444,800	Nationally set, Appendix 4
Land Charges	68,600	Locally set, Appendix 2
Post 16 Transport	54,600	Locally set, Appendix 2
Registrars Fees	178,700	Locally set, Appendix 2
Traffic Regulation Orders	90,000	Locally set, Appendix 2
Parking	594,800	Locally set, Appendix 2
Green Waste	641,000	Approved – Report (182/2022)
Licensing	66,000	Locally set, Appendix 2
Adult Social Care Charging	1,575,100	Day opportunities fees – Appendix 1 Homecare, Residential Care – set separately

### 2.2 Fee setting process

- 2.2.1 Fees and charges are reviewed annually as part of the budget and council tax setting process. Fees and charges need to be approved to be effective from 1 April 2023. In reviewing the level of fees for 2023/24, key considerations have included:
- Cost recovery - across all fees and charges inflation has been used at 10% based on the 12-month CPI rate to October 2022 of 10.1% unless there is business case to do something different.
  - It has been recognised in some cases that charges needed to be refined as often an umbrella fee - a single fee covering an area - does not allow for the variability in cases and hence undermines the principle of cost recovery. For this reason, some fees have now been split.
  - There are a small number of fees where no increase is proposed. Typically, this is either because there has been a recent increase or where increases may negatively impact income yield; and

- In some areas, fees have been increased in line with those charged by neighbouring Councils or to cover costs associated with related service delivery.

2.2.2 Sections 3 to 6 of this report highlight the key issues for each Directorate and the rationale where it is different to the above or a new fee.

## 2.3 Other fees

2.3.1 There are other fees and charges which are set outside of this report. These include:

- Social care rates – for residential care and homecare – the Council has market responsibilities in this area and fee it pays to providers is recharged to service users according to a financial assessment;
- CIL fees – set by Council taking into account other planning matters;
- Rents – set by Director according to market conditions and other considerations;
- Building Control – set by the Leicestershire Building Control Partnership to recover costs; and
- Moderation of Key Stage 1 and 2 Assessments – set in consultation with Schools Forum.

## 2.4 Fee setting and future considerations

2.4.1 In 22/23 the Council set some charges at a lower rate if residents accessed services online in recognition of the lower costs incurred via this route. The Council has moved away from this principle for 23/24 as it wanted to consider this across all areas and it will do so as part of its Transformation work.

## 3 ADULT SERVICES PROPOSALS

3.1 A detailed schedule of all fees and charges is provided at Appendix A.

3.2 **Day Opportunities Service** - In 2022/23 the Day Opportunities Service was moved from Catmose to OEP for adults with learning disabilities (including autism). The service provide 3-hour blocks, 7 days a week, during the day and in evenings. Fees were increased last year and these are now in place after some negotiation with Health and other partners. No increases to fees are proposed this year. This is to encourage families to continue accessing the service.

## 4 PLACES DIRECTORATE PROPOSALS

4.1 Fees which are set nationally are set out in Appendix D. Locally set fees are set out in Appendix B.

4.2 Many of services in the Places Directorate are provided by Peterborough City Council (PCC) on behalf of Rutland. Where fees are charged to cover costs then the Council has received assurances from PCC that this is the case.

## 4.3 Highways

- 4.3.1 A new £3,500 fee is proposed for vehicle crossing applications and permits for Temporary Construction Access under S184 of the Highways Act 1980. The fee will be payable by the applicant in full in advance. The level of fee reflects the complexity of this type of work and the time spent on the whole process of the application, receipt, validation, technical review and design checks, technical input, issue of the licence, inspection of work and sign-off. These temporary works will then be followed up by permanent works under Section 278 of the Highways Act 1980.
- 4.3.2 A section 38 (S38) agreement is the legal agreement that the developer must enter into for the local authority to adopt a road in a new development off the highway, such as a new highway in a new housing estate, as public highway. Implementation of a minimum fee will ensure that. The fee will cover the full and reasonable cost which the Council incurs in the preparation, completion and administration of the S38 agreement regardless of whether the development goes ahead. Sub-section 6 of Section 38 of the Highways Act 1980 allows Local Highway Authorities to charge a reasonable cost associated with the provision of this work. The process for a S38 application includes, receipt, validation, technical review and design checks, technical approval, instruction to Legal, review of the legal agreement, site inspections (including pre-maintenance and pre-adoption), issue of provisional and final certificates and formal adoption notifications. This new minimum fee will be non-refundable, the same as the current fee, to ensure that our costs are covered if the developer decides not to progress with adoption as costs will have been incurred by the Council and should reasonably be recovered. All other Local Authorities make such a charge and ensure it is reasonable yet fully covers their costs. The fee level (percentage of the CECC) was set previously by benchmarking, as is this current proposal to implement a minimum fee.
- 4.3.3 When roadside gullies are adopted as part of a section 38 agreement, they must be mapped onto a Highways Asset Management system). Rutland County Council currently pay for this mapping to be updated so it is proposed to pass this charge onto the developers in order to recover all of our costs. The fee for updating is £1,500 and a straight cost recovery is proposed.

#### 4.4 **Taxis**

- 4.4.1 There is currently a standard fee in place for taxi operator licenses based on a 5-year licence irrespective of the number of vehicles operated. This has been increased by 10%, but the fee and fee structure will be subject to change based on the outcome of a consultation exercise now scheduled to take place in early 2023 as part of the Licensing Policy review.

#### 4.5 **Waste Management**

- 4.5.1 Appendix C includes the Green Waste charges. There is now a flat rate of £50 for all subscribers as approved by Cabinet on 15 November 2022 (Report No: 182/2022). A discount of 25% will continue to be available to residents in receipt of Local Council Tax Support.
- 4.5.2 Changes to the pricing structure of bulky waste are proposed to ensure full cost recovery of this discretionary service to our residents. Our contract costs are expected to increase significantly next year due to high levels of inflation and by making these changes to the pricing structure, the increase can be offset whilst still

providing a reasonably priced service to residents.

4.5.3 The charge which currently covers up to 4 items for £36 is proposed to be changed as follows:

- The charge is to be split into 2. A £40 charge for up to 3 items and £50 for up to 4 items; and
- No free collections will be made available (previously collections were free to those on Local Council Tax Support and 153 free collections were provided in 2021/22 out of 1004 collections provided).

4.5.4 The £3 surcharge where they are not booked online has been removed (see 2.6). Bulky waste will therefore be charged at £13 for each of the first three items and £10 for the fourth. Benchmarking shows that our proposed pricing is reasonable and comparable with other similar LAs.

4.5.5 Local authorities can make a charge to cover the cost of the provision of bins and so a new charge is proposed for the provision of recycling and residual waste bins to new build properties (one black bin and one grey bin) of £100.

#### 4.6 **Culture and Leisure (Events)**

4.6.1 New charges will be levied for the enabling of events as per the Events Policy approved in September. Three bands are proposed as follows:

- small events under 500 attendees;
- medium events 500 to 4,000; and
- large events over 4000.

4.6.2 Charges raised may vary according to the nature of the event and will be based on a principle of cost recovery.

4.6.3 No notification or charge is required for small events under 500 where there is no VIP attendance or military presence and there is no impact on the highway or community. Full details of the Event Notification process are included in the Council's Events Policy

4.6.4 Land charges and planning preliminary advice fees have increased by 10% in line with inflation.

#### 4.7 **Parking**

4.7.1 Parking fees increase of 10% approved in 2022/23 will be implemented from January 2023 and the free 30-minute tariff to support town centre shopping continues. There was an unavoidable delay in the re-procurement of the pay by mobile contract which needed to be completed before fee increases could be implemented.

4.7.2 It is proposed that there will be no further increases or changes to the tariff in 2023/24 to avoid annual expenditure on changes to signage, reprogramming of machines and pay by phone fees. Parking income is gradually returning to pre-

pandemic levels. The mid-year forecast income was £521k up slightly from £513k in 2021/22 compared to pre pandemic levels of c£576k.

#### **4.8 First Home**

4.8.1 A new monitoring and management fee per “First Home” is proposed at £150 based on the allowance used by Home England for pilots used across the country. This is a new scheme, approved by Members in May 2022, designed to help local first time buyers and key workers onto the property ladder, by offering homes at a discount of 30% compared to the market price. The discounts will apply to the homes forever, meaning that generations of new buyers and the local community will continue to benefit every time the property is sold.

4.8.2 The charge proposed is based on the charge levied during the grant-funded pilot process.

#### **4.9 S106 monitoring - Legal fees**

4.9.1 There was previously included in the fees and charges schedule a minimum fee for s106 Agreements of £760 (equating to 4 hours work) and thereafter £190 per hour. The fees are being deleted from the fees and charges schedule in 2023/24 as the agreements have a specific provision which allows the Council to reclaim its legal costs. This is agreed on a case-by-case basis and is guaranteed by the other side providing a unilateral undertaking for the Council costs.

4.9.2 The Council's hourly rate for legal advice recharged to customers is also being removed in 2023/24 as legal advice is not provided to the public.

### **5 RESOURCES DIRECTORATE PROPOSALS**

5.1 A detailed schedule of all fees and charges is provided at Appendix C. There are no proposed changes to the 2023/24 fees and charges.

#### **5.2 Reprographics Services**

5.2.1 The Council is permitted to make a charge for ad-hoc copying of information subject to the Local Government (Access to Information) Act 1985 and for information requested under the Freedom of Information Act 2000. This legislation allows the Council to recover reasonable costs in respect of providing the documentation. This includes direct material costs plus overheads. The price per copy had been increased from £0.15 to £0.20 per copy for 2023/24.

#### **5.3 Elections & Referendums – Charges to Parishes**

5.3.1 The representation of the People Act 1983, Section 36 (4) requires the Council to cover all expenditure incurred by the Returning Officer in the holding of an election (or the Counting Office in the holding of a referendum). The fees for conducting Parliamentary, and European Parliamentary and Police and Crime Commissioner elections are regulated by the Returning Officers' Fees and Charges Orders made by the Government.

5.3.2 The Act allows the Council to recharge the costs of elections and referendums to parish councils. The Council works collaboratively with other authorities across Leicestershire to agree consistent fees.

5.3.3 The Council recharges Parishes for Parish Elections based on the actual amount incurred and this process will continue. There is no change to this approach.

#### **5.4 Disclosure and Barring Service (DBS) Checks**

5.4.1 The HR Service acts as the 'administrator' for processing DBS Applications for:

- a) Employees and volunteers engaged by the Council
- b) Organisations who have some 'affiliation' to the Council or its services and provide voluntary services
- c) Fostering/Adoption service

5.4.2 An administration fee for undertaking these checks is charged, as permitted under section 93 of the Local Government Act 2003. This is not a statutory service – RCC and other organisations are able to secure the service from another Registered Body. We process approximately 60 applications per year for voluntary organisations.

5.4.3 We have developed an on-line application process. Considering the time involved in processing the application, the fee was set at £10 and there is no reason to change this at this time.

#### **5.5 Blue Badges**

5.5.1 Charges levied for Blue Badges (disabled parking permits) will remain at £10 per badge in line with the national Blue Badge Scheme.

### **6 CONSULTATION**

6.1 The fees and charges were considered at Scrutiny Panels in January. COMMENTS TO BE UPDATED AFTER SCRUTINY.

6.2 Except for drivers' licences, the Council is required to consult upon the fees it intends to levy for taxi licences through a public notice procedure and as such these fees will be subject to change based on the outcome of a consultation exercise planned for 2023.

### **7 ALTERNATIVE OPTIONS**

7.1 The alternative options are to retain the current level of fees and charges or propose alternatives. To do so could have a negative impact on the Council's financial position and in some instances mean the actual costs of services provided are not recovered. Costs increase year on year and as such need to be reflected in this Policy.

### **8 FINANCIAL IMPLICATIONS**

8.1 Income budgets are in many instances driven by demand and can be volatile. It is not always the case that an increase in charges will lead to increases in income received. There are two reasons for this: a) demand for the service may reduce, and b) additional income received helps address the underachievement of income targets rather than generate new income above existing budgets.

- 8.2 For this reason, even where fees and charges are increased, income budgets are not always amended. Those budgets that have increased are Bulky Waste £22,500, Registrars £8,000, and Green Waste Fees £101,000 but in all cases the income covers increased costs.
- 8.3 In other areas where new fees are introduced, the Council will use 23/24 to determine what fees might be generated to help set future budgets.

## **9 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 9.1 The annual review of fees and charges is an integral part of the budget and Council Tax Setting process. The approved fees and charges will form part of the overall budget presented to full Council for approval in February.
- 9.2 The majority of the Council's statutory services, Building Control being a key exception, are funded directly from the Council's other main sources of revenue, i.e. government grants and local taxation. Income received by Rutland from fees and charges is generated by both statutory and discretionary services. Where fees and charges apply to statutory services these are often set nationally, for example, some planning and licensing fees.
- 9.3 Under the Localism Act 2011 there is a general power of competence which explicitly gives Councils the power to do anything that an individual can do which is not prohibited by other legislation. This activity can include charging (i.e., to recover the costs of providing a discretionary service which the person has agreed to) or can be undertaken for a commercial purpose (i.e., to generate efficiencies, surpluses, and profits) through a special purpose trading company.
- 9.4 The 2003 Act empowers councils to charge for any discretionary services (i.e. services councils have the power to provide but do not have a duty to provide by law) on a cost recovery basis. Statutory guidance published in 2003 outlines how costs and charges should be established, and that guidance remains in force (see: 'General Power for Best Value Authorities to Charge for Discretionary Services', ODPM, 2003). The Council must have regard to the guidance when charging for discretionary services under the 2003 Act. The 2003 Act also enables Councils to trade in activities related to their functions on a commercial basis with a view to profit through a company. Rutland does not undertake such activity.

## **10 DATA PROTECTION IMPLICATIONS**

- 10.1 A Data Protection Impact Assessment (DPIA) has not been completed because there are no service, policy or organisational changes being proposed.

## **11 EQUALITY IMPACT ASSESSMENT**

- 11.1 An Equality Impact Assessment Screening (EIAS) has been completed for the general increases and new fees set out in this report. Implementing the fees and charges proposed does not have any impact on how the authority complies with its duties and it is deemed that there is no potential discriminatory impact, and no further assessment is required.

## **12 COMMUNITY SAFETY IMPLICATIONS**

- 12.1 There are no community safety implications arising from this report.

### **13 HEALTH AND WELLBEING IMPLICATIONS**

- 13.1 There are no health and wellbeing implications arising from this report.

### **14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 14.1 The annual review of fees and charges is an integral part of the budget and council tax setting process and is also to ensure the Council is compliant with legislative guidance. It is therefore recommended that Cabinet approve the proposals set out in the document.

### **15 BACKGROUND PAPERS**

- 15.1 There are no additional background papers to the report

### **16 APPENDICES**

- 16.1 Appendix A – People Directorate Proposed Fees and Charges 2023/24
- 16.2 Appendix B – Places Directorate Locally Set Fees and Charges 2023/24
- 16.3 Appendix C – Resources Directorate Proposed Fees and Charges 2023/24
- 16.4 Appendix D – Places Directorate Nationally Set Fees and Charges 2023/24

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.