



**Prosperous Communities
Committee**

Tuesday, 1 November 2022

Subject: Proposed Fees and Charges 2023/2024

Report by:	Director of Corporate Services (Section 151 Officer)
Contact Officer:	Sue Leversedge Business Support Team Leader sue.leversedge@west-lindsey.gov.uk
Purpose / Summary:	Propose Fees and Charges to take effect from 1 April 2023.

RECOMMENDATION(S):

1. That Members consider the proposed fees and charges for 2023/2024 as detailed and make recommendation to Corporate Policy and Resources Committee for approval.
2. That Members consider the requests for free car parking on 18/11/2022 (Gainsborough) and 10/12/2022 (Market Rasen) when Christmas Events are to be held and make recommendation to Corporate Policy and Resources Committee for approval (Section 4.1).
3. That Members consider the request for 1 day of free parking in Gainsborough and Market Rasen when Christmas Events are to be held, for the years 2023, 2024 and 2025 and make recommendation to Corporate Policy and Resources Committee for approval (Section 4.1). A further review to be included in the next parking strategy, due in 2025.

IMPLICATIONS

Legal:

Where fees and charges are set by legislation at national statutory rates, these will be applied as notified.

Financial : FIN/91/23/PC/SL

The 2023/2024 fees and charges are explained in the body of this report. The budgetary implications of any amendments to fees and the forecast level of demand for each service will be built into the Council's revenue budget.

The Council is very aware of significantly higher levels of inflation and the impact of this on those who will be paying fees and charges. As most of these charges have been previously approved and/or remain static, and the fact that other charges are limited in demand there is a minimal benefit for the Medium - Term Financial Plan (MTFP) of £6,100 in 2023/2024. Any further increase to the Council's operating costs as a result of inflation will offset this MTFP gain.

Proposed levels of fees and charges for 2023/2024 are based on the Council recovering costs.

The significant increase in 2027/2028 income is due to the forecast demand for planning fee applications (£51,300) in this financial year.

Where inflation increases have been applied to fees and charges 6% is proposed for 2023/2024. This is the lowest level possible which will enable the Council to cover significant increases in cost driven by the anticipated average pay award for 2022/2023 and RPI standing at 12.3%.

Inflation (RPI August 22) currently stands at 12.3%. It is proposed to apply the lower rate of 6% (which is less than half the level of current inflation) to reflect the impact of the pay award on service provision (employee costs and officer time being the main cost driver for most of the proposed fees) whilst ensuring services remain accessible to all our residents given the current cost of living crisis.

Details of the proposed amendments in each service area are contained within the report at Section 4.

There are reductions in fees and charges income budgets which have been approved previously due to revised forecasts in demand. The services affected are;

- Markets – stallage fee (CP&R 10.02.22)
- Crematorium – services (CP&R 28.07.22)
- Car Parks – parking permits (proposed reduction pending approval through the 2023/2024 MTFP)

The cumulative impact on the MTFP of the fees and charges review in relation to services within Prosperous Communities is:

Year	(Increase) / Decrease in Contribution pa £	Cumulative (Increase) / Decrease in Contribution £	Approved / Pending Approval in Year £	Cumulative (Increase) / Decrease in Contribution less Approved in Year £
2023/24	97,200	97,200	103,300	(6,100)
2024/25	30,100	127,300	135,200	(7,900)
2025/26	(31,600)	95,700	102,500	(6,800)
2026/27	(33,800)	61,900	68,800	(6,900)
2027/28	(48,200)	13,700	68,800	(55,100)

Fees and charges will be kept under review throughout the year. If necessary changes are identified during the financial year, these will be reported directly to the Corporate Policy and Resources Committee for approval as appropriate.

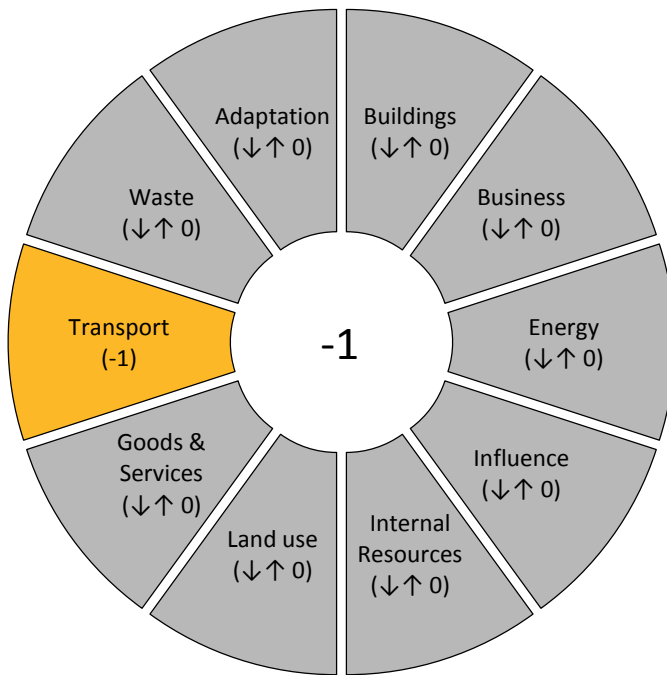
Staffing none arising because of this report.

Equality and Diversity including Human Rights: None arising as a result of this report.

Data Protection Implications: None arising as a result of this report.

Climate Related Risks and Opportunities :

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West Lindsey District Council will be net zero by 2050 (27 years and 2 months away).

Fees and charges assessments are departmental decisions governed by total cost recovery principals. There are no proposed increases above inflation therefore no change to the status quo.

The proposal to approve free car parking at Christmas has the potential to encourage the use of fossil-fuelled vehicles. The effect is limited as it is for only 2 days at Christmas. It is also suggested that residents are reminded of other more sustainable options, such as the improved walking routes in any accompanying publicity.

Section 17 Crime and Disorder Considerations :

CCTV service charges are set to encourage take up of the service to increase public safety in the district and reduce anti-social behaviour.

Fixed Penalty Notices are fees set by the Government to enable Local Authorities to take action against anti-social behaviour.

Health Implications: None arising as a result of this report.

Title and Location of any Background Papers used in the preparation of this report:

None.

Risk Assessment :

There is a risk that an increase in fees and charges may impact on the usage of the service resulting in budget pressures.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

X

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

X

No

1 Introduction

- 1.1 This report and appendices set out the proposed fees and charges for 2023/2024.
- 1.2 The Council has in place a corporate Fees, Charges and Concessions Policy which aims to provide clear guidance on a number of areas, in particular this focuses on how fees and charges can assist in the achievement of Corporate Objectives, the setting of new and reviewing of existing charges, the Council's approach to cost recovery and income generation from fees and charges and eligibility for concessions.
- 1.3 It is recognised that full cost recovery will be the customary approach, although this will not be appropriate in all circumstances and the amount charged will need to be a reflection of many factors including Council objectives, market conditions, the cost of collection and the potential impact on customers.
- 1.4 Work has been undertaken to bring these fees and charges in line with this policy, through reviewing existing fees and charges and considering the introduction of new charges for Council services, to recover costs and control demand.
- 1.5 As a minimum, inflationary increases would normally have been applied where possible with the exception of those fees set by statute.
- 1.6 The budget consultation event 2023/2024 reported that the majority of respondents felt that a cap less than inflation be used to increase fees and charges for 2023/24, followed by a year where inflationary costs are fully reflected in fees and charges.

2 Fees and Charges Policy and Process

- 2.1 The review of fees for 2023/2024 has been undertaken through a robust exercise including determining total service cost, determining a pricing level to ensure full cost recovery, then considering benchmarking data and market conditions to determine an appropriate charge.
- 2.2 Team Managers have worked with their Finance Business Partner in undertaking this review.
- 2.3 The review has in the main tried to consider the full cost recovery constraints. However, the process has been influenced to a degree by issues where the Council considers, through the benchmarking exercise, that the charge proposed is fair and reasonable for the service being provided.
- 2.4 The greatest risk/concern for Managers is receiving challenges to the level of fees and charges set. There is sound justification to support the proposed fees and, where the fees proposed do not reflect the full cost

of providing the service, there is a sound basis for the decision based on the Managers' understanding of the commercial environment.

- 2.5 Where fees have been reviewed, having a greater regard to benchmarking data where such data is available, we have tried to ensure that they are at a level whereby they do not vary substantially when compared to other local authorities in the surrounding area.
- 2.6 In areas where the Council experiences external competition, again we have tried to ensure that the rates remain competitive and value for money. It would not be prudent to risk pricing ourselves out of the market just to satisfy an aspiration to achieve a set increase in fee income. It is not believed that the proposed fees will price ourselves out of the market but it is vital to allow Managers some flexibility on fees when trying to secure business, without breaching any regulations.
- 2.7 Given the general belief that our proposed fees and charges are fair and reasonable the significant risks to fee income are not with fee levels themselves but with the achievable volumes and delivering against business plans.
- 2.8 The fees and charges will be subject to continuous monitoring during the year either to implement changes during the year if required, or to feed into the following years Medium Term Financial Plan.

3 Fees and Charges Review

- 3.1 Of the 608 fees and charges reviewed, 41% are statutory and 59% are non-statutory. In terms of 2022/2023 forecast outturn for income this equates to:

	2022/23 Forecast £	
Statutory	1,388,500	35%
Non-Statutory	2,625,100	65%
Total	4,013,600	100%

Statutory / Statutory Range Fees

- 3.2 Of the 211 statutory fees and charges set by Central Government:

85% have experienced no change in the level of fees
 14% seeing an increase in fees chargeable
 1% seeing a decrease in fees chargeable

- 3.3 The increase in fees and charges for statutory services sit within:

- Environment Services – Public Health Exhumation
- Planning – Public path orders
- Licensing –
 - Bingo premises licence
 - Adult gaming centre
 - Family entertainment centre
 - Betting premises
 - Drivers licence application
 - Private hire operators licence
 - Skin piercing
 - Street trading consents

- 3.4 The decrease in fees and charges for statutory services sit within:
- Licensing –
 - Adult gaming centre & Family Entertainment centre – application fee for new premises

Non-Statutory

- 3.5 Of the 359 non-statutory fees and charges;
- 49% have experienced no change in the level of fees
 - 50% have increased the fees chargeable
 - 1% have decreased the fees chargeable
- 3.6 Of those 178 (50%) non-statutory fees and charges which have increased, this equates to an average of £15.36 in monetary terms (net of VAT), or 5.4% in terms of percentage increase applied.
- 3.7 The following services are currently provided with prices on application.
- Trinity Arts Centre (except room/theatre hire)
 - Trade waste services
 - Private street cleansing work
 - CCTV services

This is due to the variety of requirements of customers. Pricing models have been developed to assist officers in developing a price range, based on the individual requirements and specifications of the customer.

- 3.8 The proposed fees and charges will apply from 1st April 2023, unless there are other constraints preventing this, in which case the operative date will be as soon as practicable after 1st April.

The appendices provide the detail and analysis of pricing and demand and the proposed charges, and are summarised by service area below:

4. SUMMARY OF PROPOSED FEES AND CHARGES BY SERVICE AREA

The fees and charges schedules for Prosperous Communities committee are listed at Appendix A and B (commercially sensitive*)

4.1 Appendix 1: Car Parks

New Pay & Display (P&D) and permit tariffs were introduced for both Gainsborough and Market Rasen during 2018/2019 and 2019/2020, as part of the car parking strategy approved by Corporate Policy & Resources committee on 27th July 2017. It was decided that Market Rasen's charges would be set at 50% of Gainsborough's, to reflect the increased offer of the larger town. The Car Park Strategy Report has been approved by Prosperous Committee on the 19th July 2022. No increase in charges were proposed within the strategy report.

The electric vehicle charge per Kwh has increased to reflect the electricity rate payable by the Council. This is an increase of 84%, but the impact on income generated from electric vehicle charging is forecast to be £0.1k, therefore there is no material impact on the MTFP.

The switch to increased home based working during and following the pandemic saw a drastic reduction in the sale of car parking permits. The reduction in parking permit sales is not expected to increase to pre-pandemic levels. The forecast continued reduction in demand is forecast to create up to a £49,300 pressure on the MTFP from 2023/2024.

The final figure will be agreed through the 2023/2024 MTFP process, but the estimated figure is provided at this stage to highlight that a pressure in the income budget for this service area is anticipated.

Free Parking for Christmas Events

It has become a regular practice in recent years for requests to be received from both towns for a day's free parking to support Christmas lights switch-on events, and these requests are usually supported by members.

2022 is no exception with both towns having events that they wish to promote with the benefit of free parking. It has also been suggested by members that due to the recurring nature of these requests, it would be sensible to put approval in place for a fixed period of years. A sensible time frame for this would be until the next parking strategy review due in 2025. It is therefore proposed;

1. **2022/2023** Approval be granted for 1 days free Christmas parking in Gainsborough on 18/11/22 and in Market Rasen on 10/12/22.
2. **2023/2024 to 2025/2026** That approval be granted for 1 days free Christmas parking in Gainsborough and in Market Rasen on dates to be provided, for the years 2023, 2024 & 2025 and that further review of this be included in the next parking strategy review due in 2025.

By approving the request, the forecast loss of income is c£1k across both sites, which is already built into the base budgets.

There is no further impact on the MTFP following the review of fees and charges for 2023/2024.

4.2 Appendix 2: Cemeteries

Recent benchmarking shows the fees set for this service are now more in alignment with neighbouring councils. The 2019/2020 approved increase above inflation was the final step towards the charges set by other councils. With effect from 2023/2024, the proposal is to increase fees by inflation at 6% for interments and exhumations, rounded to the nearest 50p.

It is proposed that no increase is applied to monuments, gravestones, tablets and monumental inscriptions.

Where an increase has been applied, the gross fee has been rounded to the nearest pound.

There is a minimal increase in income of £0.1k for this service in 2023/2024.

4.3 Appendix 3: Environment Services

This schedule consists mainly of statutory fees set at the maximum level. The charges for 2023/2024 are expected to be reviewed in February 2023 and the schedule of charges will be updated to reflect any changes.

All works undertaken are charged on a case-by-case basis, costed on the actual time taken up to a maximum charge that is set by statute. In the last 12 months the maximum fee set by statute has been sufficient to cover costs.

Of those fees which are non-statutory, inflation at 6% increase has been proposed, to bring into line with benchmarking data.

For non-statutory fees, the gross fee has been rounded to the nearest pound.

There is no impact on the MTFP.

4.4 Appendix 4: Fixed Penalty Notices

The charging schedule sets out where fees are set by statute and where fees are set by the Council.

Statutory charges will be applied in accordance with legislation, and there are no increases to the current fees.

High hedge fee - inflation at 6% increase has been proposed, to bring into line with benchmarking data.

For non-statutory fees, the gross fee has been rounded to the nearest pound.

There is no impact on the MTFP.

4.5 Appendix 5: Land Charges

The service has proposed an increase of inflation at 6% across the majority of fees and charges within the service area.

Three fees are increased below inflation at an average of 4.3%. The resulting charges are consistent with benchmarking data for neighbouring Authorities.

No increase is proposed for the LLC1 as this charge will stop once Land Registry take over the declaration of registrations. This is anticipated to take place during the current financial year.

There is no impact on the MTFP.

4.6 Appendix 6: Licensing

The majority of the charges are statutory, or a statutory-range where the maximum amount is charged.

Inflationary increase of 6% has been applied for all non-statutory fees that WLDC have the powers to set unless the statutory maximum has been reached. The proposed increases have been applied with a view to achieving total cost recovery, and to be consistent with charges being applied by neighbouring Authorities.

There is an increase in income of £1.2k for this service in 2023/2024.

4.7 Appendix 7: Markets

Corporate Policy and Resources approved the 'Funding the Future of West Lindsey Markets Model' on the 10th February 2022, which included a reduction in stallage fee income of £6,600 in 2023/2024, reducing to £2,200 in 2027/2028.

It is proposed that charges are frozen at the current rate to support the trader and the town centre, pending the current review of the service.

There is no further impact on the MTFP following the review of fees and charges for 2023/2024.

4.8 Appendix 8: Planning

As the planning application fees are statutory set we are unable to do any impact analysis.

The proposal is for the pre-application advice fees to be increased by inflation at 6% and rounded to the nearest pound.

There has been a continued focus on reducing overhead service costs through more efficient practices. Planning files are now digital / online, and measures are in place to reduce the demand for site visits.

The Planning Service are seeking to set ambitious targets but do not want to frame the service in an unrealistic light as significant change to the Planning system is proposed by the Government over the forthcoming years.

There is a minimal increase in income of £0.7k for this service in 2023/2024, however in 2027/2028 the planning fee income increases by £51.3k to reflect expected demand.

4.9 Appendix 9: Strategic Housing

It is proposed to apply inflation at 6% to the current years' fee.

There is an increase in income of £1.5k for this service in 2023/2024.

4.10 Appendix 10: Waste Services

Garden waste collections – the annual fee of £39 was agreed for the years' 2022/2023 and 2023/2024 by Corporate Policy and Resources Committee on the 11th November 2021. The budget approved through the 2022/2023 was based on the projected service subscription levels and remain unchanged.

Bulky waste collections – it is proposed that domestic bulky waste collection fees are unchanged to ensure the service is accessible to all our residents given the current cost of living crisis.

Inflation at 6% has been applied to the sale of new and replacement wheeled bins, and sacks to reflect the increase in the cost of purchase to the Council.

There is an increase in income of £2.6k for this service in 2023/2024.

4.11 Appendix 11: Trinity Arts Centre

It is proposed to maintain all fees at the 2022/2023 rates to remain competitive and increase customer base.

There is no impact on the MTFP.

4.12 Appendix 12: Crematorium

Direct cremations maximise staff time and use of equipment that may otherwise not be utilised at less favourable times during the day. Other Crematoriums have reduced their Direct Cremations service fees by as much as £100 to try to increase their market share. Direct Cremations play an important part of our service and running cost efficiency, to remain competitive we are proposing maintain the current fee of £465 for 2023/2024.

Cremation services have been increased by 2% rather than inflation at 6%. This decision has been made to ensure we stay competitive with other Cremation providers. This is especially important as we are still establishing ourselves in the market.

Secondary spends, which can be considered a luxury item, have been increased by an average of 2%, primarily with the purpose of rounding the gross fee to the nearest pound. Again, inflation has not been applied to ensure we stay competitive with other providers.

Strewing/scattering of cremated remains in our Garden of Remembrance from another crematorium has been frozen at the current rate of £55. It is important to try and attract these customers as we look to embed Lea Fields Crematorium in the local community, this could lead to families choosing Lea Fields for future services taking place at our crematorium, it will also encourage memorial sales for loved ones scattered here.

The revised business plan for the Crematorium (covering the years 2022/2023 to 2026/2027) was approved by Corporate Policy and Resources Committee 18th July 2022.

This included a reduction in income for 2023/2024 of £47.2k, reducing to £17.1k in 2027/2028.

There is no further impact on the MTFP following the review of fees and charges for 2023/2024.

4.13 Appendix 13: Communities: Defibrillator Maintenance Scheme

This service was introduced in September 2020, and membership has increased to a level where costs are forecast to be recovered by membership subscription fees.

Membership is currently at 57 customers and is expected to increase by a further 6 customers pa. Total cost recovery is achieved at 68 customers.

This is a service which is of significant benefit to the community. Costs are being recovered and we do not propose to increase the fee at this stage, as membership and demand for the service continues to increase.

There is no impact on the MTFP, as income generated from the maintenance scheme will be utilised to purchase the required equipment.

4.14 Appendix 14: CCTV Service (Commercially Sensitive*)

Charges are Price on Application but analysis of income generation is provided within the Appendix for information.

4.15 Appendix 15: Building Control (Commercially Sensitive*)

Charges are based on a cost recovery basis but are considered commercially sensitive.

4.16 Appendix 16: Trade Waste (Commercially Sensitive*)

Charges are Price on Application but analysis of income generation is provided within the Appendix for information.

**The Proper Officer has determined in preparing Appendices 14, 15 & 16 that paragraph 3 should apply. The view of the public interest test was that while he was mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, disclosure of the information would give an unfair advantage to tenderers for commercial contracts.*

This information is not affected by any other statutory provision which requires the information to be publicly registered.

On that basis it was felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when excluding the public from the meeting.