

AUDIT AND RESOURCES COMMITTEE

23 November 2021

CABINET

9 December 2021

Corporate Fees and Charges

Report of the Strategic Planning Manager

Recommendation(s)

For Audit and Resources Committee:

It is recommended that the Audit and Resources Committee note the proposed fees and charges and make any necessary recommendations to Cabinet.

For Cabinet:

It is recommended that Cabinet approve all proposed fees and charges in Appendices A to I to come into effect on the dates outlined in the report.

Summary

Fees and Charges for Council services are reviewed on a regular basis. In accordance with the Budget Plan, fees and charges levied by the Council are reviewed annually with the intention of any changes being introduced, where possible, with effect from January 2022. This report contains the fees and charges for services directly overseen by Cabinet. The increases in this report will be budgeted to achieve an additional yield of £168,000 in 2022/2023 which is in line with the Medium Term Financial Plan.

Statutory Powers

Section 151 of the Local Government Act 1972

Section 93 of the Local Government Act 2003

Environmental Protection Act 1990

Strategic Implications

1. This report relates to a range of Corporate Plan objectives and the Council's principle of operating in a business-like, commercially focussed way. The report reflects the Council's approach to minimise the levels of Council Tax while seeking to cover Council costs from fees and charges from discretionary services.
2. The proposals in many areas promote health and wellbeing by setting discounted rates for community or non-commercial groups; they also help tackle deprivation by providing discounted rates for individuals experiencing socio-economic deprivation. The report reflects the Council's Climate and Environmental Emergency and Excellent Environment objectives in applying the highest possible penalties for environmental offences such as littering, flyposting and graffiti.

Introduction

3. The purpose of this report is to outline proposed changes to corporate fees and charges levied for services by the Council and approved by Cabinet. A minimum increase in yield of 3.0% (in-line with the previously approved policy) for all fees and charges should be implemented where possible, from January 2022.
4. Service Managers consider their fees and charges in the context of service development, in addition to recognising the Council's policy to generate additional funds by way of maximising the yield from all income sources.
5. There are other fees and charges within the Council's Budget, to which an inflationary increase cannot apply. These income streams are mainly grants, nationally set fees or related to contracts and therefore cannot be increased to raise further income.
6. COVID-19 has had a significant impact on some services that generate fee income, leading to lower than usual yields in 2020/21 and 2021/22. Details are shown for each area where this is expected to continue in 2022/23. In many areas there is a raised level of uncertainty. The Council's usual financial monitoring processes will track actual performance and any budget adjustments will be reported to Cabinet and incorporated into the Medium-Term Financial Plan in February 2022.

Budget Devolution

6. Councillors should note that following Cabinet approval in September 2012, the following services are devolved to Local Area Committees and therefore the fees and charges for these areas are now set by those Committees:
 - Car Parking;
 - Cemeteries;
 - Itchen Valley and Lakeside Country Parks;

- Outdoor sports facilities;
 - Allotments.
7. Local Area Committees have the discretion to set fees for services devolved to their Areas, subject to compliance with the corporate target to generate an additional minimum yield from fees and charges of 3.0%.
8. Car parking income has significantly reduced, initially due to COVID-19 restrictions and the fall in office-working in town centres; however there is concern that consumer habits have changed long term. This is under review by the Parking Working Group

Services Managed Directly by Cabinet

9. There are a number of services that are managed by Cabinet and these services are listed below with their respective appendix references.

Appendix	Description
A	Arts and Culture
B	Neighbourhood Services
C	Health and Wellbeing
D	Housing and Development
E	Environment
F	Economic Development
G	Asset Management
H	Strategic Planning, and Governance
I	Local Operations

Arts and Culture (Appendix A)

8. Arts and Culture staff have reviewed the fees and charges and the proposed increases are in line with other market providers. All other fees and charges have been amended based on what is considered an acceptable level for the client base. The community meeting room charge has not increased as the area has been significantly impacted by the Covid pandemic and a 0% increase will be implemented to entice users back into the building. It is also noted that discounts and incentives are available to encourage new customers or incentivise repeat bookings across the service.

Neighbourhood Services (Appendix B)

9. Bulky Waste: The model for Bulky Waste Services has been updated for 2022. There will now be a charge for each item collected rather than a one-off cost for the first 8 items. For customers on means-tested benefits, the cost is £20 for first item and £10 for each additional item.
10. Bins not put for collection or contaminated: To encourage residents not to contaminate bins and improve recycling rates, the charges for collection of missed bins not put out for collection by residents and collection of contaminated bins have been increased by £2.00.
11. Garden Waste Service: The Executive Head of Neighbourhood Services has reviewed the fees and charges for this service and recommends that the various Garden Waste Service charges are slightly increased. For example a standard 50 week service for a new user will increase by 3.8% (£1.50) to £41.00. The increase would generate an additional income of £24,680.
12. Trade waste: Increases of individual contract charges do vary across the existing customer base dependent on the value of the contract and the existing yield which the contract delivers. In total, trade waste charges are expected to provide an additional increased yield of £39,000 which equates to 5%.
13. Tree Nursery: It is recommended not to change the fees being introduced in relation to the tree sponsorship programme.
14. Car parking income has significantly reduced due to COVID-19 restrictions and changes to commuting; the corporate yield target has not been applied to this area, and Local Area Committees are therefore not expected to meet any shortfall. To support the recovery of local district centres no increases are proposed for off-street and on-street pay and display parking tariff levels. Residential Parking permits will continue to increase as per the agreed transition towards the Hampshire County Council minimum fee levels.
15. Tables and Chairs on the highway licences were considerably higher (£235) in previous years and reduced for 2021 to encourage activity in town and local centres. The charge is proposed to be increased to £100 to reflect the costs of administration. This is now in line with Pavement licences (capped at £100).
16. Community groups seeking a road closure for a street party are currently charged a small fee (£25 for a one-off event) unless they are approved and supported by the relevant Local Area Committee. A small uplift in these fees is proposed.
17. All other proposed fees and charges in Neighbourhood Services are in line with the recommended level of 3.0%.

Health and Wellbeing (Appendix C)

18. Places Leisure Eastleigh: The operator (Places for People) and Council staff have reviewed the charges for January 2022 onwards taking into account usage trends, operational costs, recent investments, competitors' pricing policies and the customer's ability to pay.
19. Proposals were presented to the Places Leisure Eastleigh Consultative Group on the 5 October 2021 and proposed charges were approved by this Group for consideration by Cabinet.
20. The fees and charges at The Hub leisure centre at Bishopstoke Road playing fields will increase by the corporate yield target of 3% from 1 April 2022.
21. Houses in Multiple Occupation (HMO) Licensing fees are not increased during the initial 5-year cycle, which will end in 2023. The current fee is relatively high in comparison to other local authorities in the area. The remainder of the housing fees have been increased to reflect the 3% yield target.
22. Caravan site licensing charges are recommended to increase by the 3% yield target. It is to be noted that there is a new charge that commenced in July 2021 for 'Cost of Inclusion on fit & proper person register'.

Housing and Development (Appendix D)

23. The overall fees increase for Development Management will generate an additional 3% income. It is difficult to predict with great accuracy the resultant income in the light of a recovering economy following the impact of the lockdown and Covid 19. In recognition of the complexity and value of the pre-application process the greatest increase in fee, and resultant income, is focused within this area.
24. A modest increase in Land Charges is proposed to cover increased costs, primarily associated with services provided by Hampshire County Council. Overall income for this service has reduced as "non-fee earning" personal searches are becoming increasingly common; this will be addressed in the budget setting process for 2022/23.

Environment (Appendix E)

25. Many of the Environmental charges are set nationally through legislation. Other fees and charges have generally been increased by 3% and it is anticipated that in total the service will generate an income yield increase in line with the corporate target.
26. Animal Welfare and Collection of Stray Dogs: Charges have been amended in line with yield target.

27. Due to the impact of Covid 19 and the complexity of the Licenses fees and charges, the Administration Committee will be approving the 2022/23 charges at the next committee on 22 November 2021. Due to this, Licenses (for Pleasure Boats, Hackney Carriages, and miscellaneous licences) are not included in this report.
28. Councillors will be aware that the administration of the Taxi and Hackney Carriage Licensing Service transferred to Southampton City Council in 2016. The service is a ring-fenced service and is required to break-even.

Economic Development (Appendix F)

29. The Sorting Office has moved to a new location therefore creating some new charges related to the rent of the space. For other charges relating to the economy i.e., Environmental Health training courses and various vendor licences, it has been agreed by the Head of Economy and Business to increase the price by 3.0% and it is anticipated that in total the service will generate an income yield in line with the corporate target.

Asset Management (Appendix G)

30. The Asset Management Service fees have been increased by 3% to match the required yield. These prices are still deemed to be reasonable in the market. The fee for administration on garage lettings has been increased by 50% to reflect the actual cost of this work.
31. Fees for chargeable Legal work are capped to only cover costs, it is being increased by the corporate yield target of 3%.
32. Eastleigh House has increased its fees and charges in line with the corporate yield target of 3%.

Governance and Strategic Planning (Appendix H)

33. Fees for these areas include charges for paper copies of the Local Plan, roundabout sponsorship, and Elections. Roundabout sponsorship fees will not be increased, with the increase in yield being achieved through efforts to obtain new sponsorship.

Local Operations (Appendix I)

34. The Local Response Team currently undertake the deployment of the Speed Limit Reminders (SLR)\Speed Indicator Device (SID) for the Local Area Committees. No change is proposed to the £75 fee, with increased yield expected from greater demand.

Risk Assessment

35. There is always a risk that proposed charges will not yield the overall anticipated 3.0% additional income target for the Budget. The impact of changing the fees and charges needs to be balanced against the impact on demand, giving rise to changes in overall yield; this will be monitored closely during the quarterly Corporate Performance processes throughout the year.

Financial Implications

36. The table below shows the estimated income yield increases across services for 2022/23 as a result of the proposed fees and charges. Further work on future income levels for services will be completed as part of the upcoming budget process which will review all income levels.

Arts and Culture	£5,611
Neighbourhood Services	£56,390
Health and Wellbeing	£769
Housing and Development	£36,705
Environment	£1,534
Economy	£3,445
Asset Management	£1,655
Local Response (Parking)	£62,523
Total	£168,632

Equality and Diversity Implications

37. Any service equality and diversity implications will have been considered by functional leads as part of their Service Planning processes. There are no specific equality and diversity issues associated with this report which simply presents a summary of Cabinet-controlled fees and charges for the Council.

Climate and Environmental Emergency implications

38. Climate and Environmental Emergency implications are predominantly managed through the service planning process. Changes to Fees and Charges take into account the corporate policy as well as the Council's

objective to tackle the Climate Change and Environment Emergency e.g. fees or charges for contaminated bins, graffiti, and trees grown at the Council's tree nursery.

Conclusion

30. The Council undertakes an annual review of all fees and charges. Where possible, the review reflects the Council's Budget requirement to achieve an increase of 3.0% in yield. The above increases will be budgeted to achieve an additional yield of £168,000 in 2022/2023. Where possible, fees and charges will be increased with effect from January 2022.

DICCON BRIGHT

Strategic Planning Manager

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Appendices Attached: 9

LOCAL GOVERNMENT ACT 1972 - SECTION 100D

The following is a list of documents which disclose facts or matters on which this report or an important part of it is based and have been relied upon to a material extent in the preparation of this report. This list does not include any published works or documents which would disclose exempt or confidential information.

None