

9 February 2022		ITEM: 12
Decision: 110601		
Cabinet		
Fees and Charges Pricing Strategy 2022/23		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Shane Hebb, Portfolio Holder for Finance		
Accountable Assistant Director: Jonathan Wilson - Assistant Director - Finance		
Accountable Director: Sean Clark – Corporate Director Resources and Place Delivery		
This report is Public		

Executive Summary

The Fees and Charges Schedule is, typically, a list of services which residents or businesses choose to make use of, for a financial fee or a charge. Some Fees and Charges are ‘capped’ and/or set by national frameworks.

This report summarises the fees and charges papers as reviewed by the respective Overview and Scrutiny Committees. Any new charges will take effect from the 1 April 2022, subject to Cabinet approval, unless otherwise stated.

In preparing the proposed fees and charges, directorates have worked within the charging framework and commercial principles set out in section three of the report. In particular, that fees and charges are aligned to the commercial strategy and aim to ensure that all discretionary services cost recover.

Delegated authority to service directors is sought to permit Fees and Charges to be varied within financial year in response to legal, regulatory & commercial requirements, in consultation with the Corporate Director of Resources and Place Delivery and the relevant portfolio holder.

1. Recommendations:

- 1.1 That Cabinet agree the proposed fees and charges, including those no longer applicable, as per Appendices 1 and 2;**
- 1.2 That Cabinet approve delegated authority to allow Fees & Charges to be varied within a financial year, in response to legal, regulatory and commercial requirements, in consultation with the Director of Resources and Place Delivery, the relevant portfolio holder; and the Cabinet Member for Finance;**

1.3 That Cabinet note the feedback from all Overview and Scrutiny Committee meetings as per Appendix 3.

2. Background

- 2.1 The paper describes the fees and charges council wide approach for 2022/23 continuing with the previously agreed commercial principles with regard to charging.
- 2.2 Income recovery has been considerably impacted in 2021/22 due to a number of restrictive measures implemented as a result of the Covid-19 pandemic. The Local Authority have received compensation from Central Government, alongside a number of other grant allocations to reduce the impact on the overall budgetary position.
- 2.3 Overall fees and charges income targets for 2022/23 will be incorporated into the Draft Budget report to Cabinet in February, within the wider context of the statutory requirement to set a balanced budget.

3. Thurrock Charging Policy

- 3.1 The strategic ambition for Thurrock is to adopt a policy on fees and charges that is aligned to the wider commercial strategy and aims to ensure that all discretionary services cost recover.
- 3.2 Furthermore, for future years, while reviewing charges, services will also consider the level of demand for the service, the market dynamics and how the charging policy helps to meet other service objectives.
- 3.3 When considering the pricing strategy for 2022/23 some key questions were considered:
- Where can we apply a tiered/premium pricing structure?
 - How sensitive are customers to price? (For example - are there areas where a price freeze is relevant?)
 - The impact of Covid-19 on each service.
 - What new charges could be introduced for this financial year?
 - How do the Council charges compare with neighbouring boroughs?
 - How do the Council charges compare to neighbouring boroughs and private sector competitors? (Particularly in those instances where customers have choice).
 - How can channel shift be influenced?
 - Can charges be set to recover costs?
 - What do competitors charges?
 - Do statutory services have discretionary elements that we can influence?
 - Do we take deposits, charge cancellation fees, and charge an admin fee for duplicate services?

4. Cleaner, Greener, Safer – Summary of Changes

The key following changes have occurred for 2022/23 fees and charges:

- 4.1 **Outdoor sports and open spaces** - Increased fees and charges by a range of between 1%-6%, (£1-£60 (£60 per season)) to reflect moving towards a cost neutral approach. The event application fee has increased from £25 to £30 for 2022/23.
- 4.2 **Allotments** - Fees and charges have increased by 2%- 5% (£3) for 2022/23.
- 4.3 **Domestic Waste** - Fees and charges will increase by 11% (£1 - £3.50) for bulky waste collections and 6%/ £2.50 for wheeled bins new/replacements.
- 4.4 **Burials and Memorials** – Fees and charges for 2022/23 will only be increased broadly in line with forecast inflation; the burials service does not make a surplus from fees and charges and these increases take into consideration the increases in costs to the service to make sure that the service is cost neutral going forward.
- 4.5 **Environmental Enforcement** – Fees and charges are set by legislation, with Council charging the maximum permitted, in line with policy.
- 4.6 **Registrars** – After benchmarking against neighbouring boroughs the charges for the Lacey Room ceremonies have been increased by £44 (30%) this is still significantly lower than neighbouring boroughs, however the entire registrars offering will be reviewed once they have relocated to their new premises.
- 4.7 **Theatre** – Fees and charges for 2022/23 will be increased broadly in line with forecast inflation.
- 4.8 **Public Protection** – Civil Enforcement charges have increase in line with forecast inflation (subject to rounding). Licensing fees and charges that are set through the licensing committee have been removed from the fees and charges as these are set via licensing committee and cannot be amended via this process.
- 4.9 **Heritage Service** – Fees and charges for 2022/23 will be increased broadly in line with forecast inflation.
- 4.10 All other charges remain unchanged or increase in line with forecast inflation (subject to rounding).

5. **Planning, Transportation and Regeneration – Summary of Changes**

The key following changes for 2022/23 fees and charges:

- 5.1 **Permits** – Fees and charges remain unchanged for the 1st and 2nd permit and have increased by £5 (7%) for the 3rd permit for 2022/23.
- 5.2 **Off Street Pay and Display car park charges** – A consistent parking charge has now been set across the council car parks offering the same long stay option in Darnley Road, Grays at the same current charge as all long stay car parks in the area.

To achieve the required consistency across car parks, the tariff linked to long stay at Grays beach will now be set in line with other long stay car parks owned and managed by Thurrock.

Canterbury Parade will continue to offer free parking for the 1st hour to all visitors. Any stay exceeding the 1st free hour will then be charged in line with all other long stay car parks in Thurrock.

- 5.3 **Parking Suspensions** – Charges have increased from £30 to £50 (66%)
Parking suspensions do not have a direct impact on residents but mainly effect large private companies who carry out planned works linked to utilities, building or highways. Such applications also serve as requests for priority enforcement at these paid for locations. The increase in charge is reflective of the admin and Civil Enforcement Officers priority resource required to legally process and effectively support such applications.
- 5.4 **On street Parking Charges** – Remain unchanged for 2022/23.
- 5.5 **Penalty Charge Notices** – Are set statutorily and unchanged for 2022/23.
- 5.6 **Highways infrastructure** – The introduction of several new fees centring on Licensing, and Vehicle Crossing construction. Specific fees and charges have been revised to better scale with larger application requirements, using value thresholds to switch to a percentage value of actual costs; as well as having the minimum charge fee increased in line with actual costs where applicable.
- 5.7 **Transport Development** – The majority of transport development fees and charges are unchanged for 2022/23, with the exception of crane oversail, which have increased by 9% (£20) and accident data provision which has increased by 2% (£4).
- 5.8 **Transport (Fleet)** – Vehicular MOT Testing – charges have increased for 2022/23 except the class 4 & 7 re-test fee which remains at £15.
- 5.9 **Pre-Planning Application** – Charges have increased for 2022/23 between 1% - 8%.
- 5.10 **Planning Performance Agreement** – Charges remain unchanged for 2022/23.
- 5.11 **Land Charges** – A number of previous land charges are now available in the public domain and are therefore now free of charge to access. The remainder of the charges have been increased by 9%-10% for 2022/23, there are also 3 new charges relating to searches.
- 5.12 All other charges remain unchanged or increase in line with forecast inflation (subject to rounding).
6. **Health & Wellbeing Summary of Changes**

The key following changes have occurred for 2022/23 fees and charges:

- 6.1 **Blue Badge Application fee** – This is a national maximum fee detailed in the Blue Badge Guidance. It is a legal requirement to charge no more than £10 per badge.
- 6.2 **Day Care Charge** (per session) – for residents aged over 65 is currently £10 a session.
- 6.3 **Concierge charges - Extra Care** - this charge is linked to the Elizabeth Gardens “core charge” which was agreed for the term of the current contract.
- 6.4 All other charges remain unchanged or increase in line with forecast inflation (subject to rounding).

7. **Housing – Summary of Changes**

The key following changes have occurred for 2022/23 fees and charges:

- 7.1 **Houses in Multiple Occupation** - These charges will increase by an average of 2.3% (£23), as rounded to the nearest pound.
- 7.2 **Assisting with licencing applications** - These will increase by an average of 3.05% (£2), as rounded to the nearest pound.
- 7.3 **Enforcement Notices** - These will increase by an average of 10% (£60), as rounded to the nearest pound.
- 7.4 **Penalty Charges** – Housing Planning Act 2016. These charges were introduced in 2018/19 and are scaled up to the maximum sum allowed.
- 7.5 **Penalty Charges** – Smoke & Carbon Monoxide Alarm Regulations 2015. These charges are scaled in line with industry standard.
- 7.6 **Penalty Charges** – Energy Efficiency Regulations 2015. These charges are scaled in line with industry standard.
- 7.7 **Penalty Charge** – The Electrical Safety Standards in the Private Rented Sector [England] Regulations 2020. These charges are scaled in line with industry standard.
- 7.8 **Mobile Homes** - The application fees have increased by an average of 2.2% (£9), as rounded to the nearest pound, and a new charge for “mobile homes fit and proper person test” has been added for 2022/23.
- 7.9 **Travellers’ Sites** - These will increase by 3.57% (£4), as rounded to the nearest pound.
- 7.10 All other charges remain unchanged or increase in line with forecast inflation (subject to rounding).

8. **Childrens – Summary of Charges**

The key following changes have occurred for 2022/23 fees and charges:

- 8.1 **Nursery places** - Charges have been scaled to give a better reflection of the different offers we have available, most charges have been increased to take account of the actual costs of service delivery, which are dependent on the age's involved and corresponding staffing ratios and which option the parents wish to choose. These will be in line with central government grant funding and have increased in line with forecast inflation for 2022/23, a new holiday club was also introduced last year to provide more opportunities for children to access services.
- 8.2 **Summer Playscheme for Disabled Children** - The parent contributions do not cover the overall cost of the service and the deficit is covered by the Directorate. Sponsorship of the service is being considered to cover the shortfall for 2022/23 as recommended by the recent Children's Service review. The current charge per day, per child is £18.50 which will increase by 2% to £19 for 2022/23.
- 8.3 **Grangewaters** - Charges have increased between 5%-64% - note that there is one charge increasing by 64% to account for the fact that this was an activity that would no longer be provided by volunteers. Changes range from 28p for Dog groups to £140 for private hire of the site for the ski boat club. Average increase for schools is 4.96% (£6.50 per session.) A number of charges have been removed to better align our service offering, and new charges have been included to provide a more inclusive offer.
- 8.4 **Thurrock Adult Community College** - Charges have been increased in line with forecast inflation however our pricing is still significantly below market rates recognizing the community engagement within the college and the potential challenges arising from Covid-19. A number of charges have been removed due to the relocation of the college as we are no longer able to provide them at the current location.
- 8.5 All other charges remain unchanged or increase in line with forecast inflation (subject to rounding).

9 Reasons for Recommendation

- 9.1 The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services which are above what a council is mandated to provide through the council tax mechanism. The approval of reviewed fees and charges will also ensure that the Council is competitive with other service providers and neighbouring councils. The ability to vary charges within financial year will enable services to more flexible adapt to changing economic conditions.
- 9.2 The granting of delegated authority to vary these charges within a financial year will allow the Council to better respond to the needs of the communities, legal requirements and regulatory changes. And ensure that charges applied to residents, visitors and businesses correctly reflect current regulatory and legislative requirements.

10 Consultation (including Overview and Scrutiny, if applicable)

10.1 Consultations will be progressed where there is a specific need. However, with regard to all other items, the proposals in this report do not affect any specific parts of the borough. Fees and charges are known to customers before they make use of the services they are buying.

11 Impact on corporate policies, priorities, performance and community impact

11.1 The changes in these fees and charges may impact the community; however it must be taken into consideration that these price rises include inflation and no profit will be made on the running of these discretionary services.

12 Implications

12.1 Financial

Implications verified by: **Joanne Freeman**
Finance Manager

The effect of any changes to fees and charges on individual income targets will be determined as part of the 2022/23 budget setting process in which Corporate Finance and service areas will review anticipated level of demand, fee increases, previous performance and potential associated costs. Covid-19 has significantly impacted the Authority's ability to achieve current income targets and this will be taken into consideration when setting future targets. The Council wide draft budget report will set out the agreed 2022/23 targets across all directorates.

12.2 Legal

Implications verified by: **Gina Clarke**
Corporate Governance Lawyer and Deputy Monitoring Officer

Fees and charges generally fall into three categories – Statutory, Regulatory and Discretionary. Statutory charges are set in statute and cannot be altered by law since the charges have been determined by Central government and all authorities will be applying the same charge.

Regulatory charges relate to services where, if the Council provides the service, it is obliged to set a fee which the Council can determine itself in accordance with a regulatory framework. Charges have to be reasonable and must be applied across the borough.

Discretionary charges relate to services which the Council can provide if they choose to do so. This is a local policy decision. The Local Government Act 2003 gives the Council power to charge for discretionary services, with some limited exceptions. This may include charges for new and innovative services utilising the Council's general power of competence under section 1 of the

Localism Act 2011 The income from charges, taking one financial year with another, must not exceed the cost of provision. A clear and justifiable framework of principles should be followed in terms of deciding when to charge and how much, and the process for reviewing charges.

A service may wish to consider whether they may utilise this power to provide a service that may benefit residents, businesses and other service users, meet the Council priorities and generate income.

Decisions on setting charges and fees are subject to the Council's decision making structures. Most charging decisions are the responsibility of Cabinet, where there are key decisions. Some fees are set by full Council.

12.3 **Diversity and Equality**

Implications verified by: **Becky Lee**

Team Manager, Community Development

The Council is responsible for promoting equality of opportunity in the provision of services and employment as set out in the Equality Act 2010 and Public Sector Equality Duty. Decisions on setting charges and fees are subject to Community Equality Impact Assessment process and the Council's wider decision making structures to determine impact on protected groups and related concessions that may be available.

12.4 **Other implications (where significant)** – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

None applicable

13 **Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):**

None

14 **Appendices to the report**

- Appendix 1 – Schedule of Proposed Fees and Charges for 2022/23
- Appendix 2 – Schedule of Fees and Charges no longer applicable (incl Licensing committee fees now moved as outside of this process)
- Appendix 3 – Feedback from Overview and Scrutiny Committees
- Appendix 4 – Overview and Scrutiny Papers

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