

**Classification:** Public

**Key Decision:** No

## **Gravesham Borough Council**

**Report to:** Cabinet  
**Date:** 31 January 2022  
**Reporting officer:** Assistant Director (Corporate Services)  
**Subject:** Fees and Charges Report 2022/23

### **Purpose and summary of report:**

To provide Cabinet with an overview of the review undertaken of the fees and charges levied by the council.

### **Recommendations:**

1. This report is for information only.

## **1. Background**

- 1.1 The fees and charges programme included the intention to deliver an additional income of £270,000 to the council during the period of 2016-17 to 2019-20. When considering this work stream, it was concluded that this should continue beyond 2019-20, with further activity being delivered by 2022-23. This has been hampered by the COVID-19 pandemic which has presented some challenges in achieving this target.
- 1.2 Decisions being taken by Central Government on a number of other local government funding reforms that were planned for introduction from April 2021 (including the Fair Funding Review and reforms to the current Business Rates Retention System) have been delayed due to the COVID-19 pandemic. There is also significant uncertainty regarding the ongoing impacts on the economy arising from the pandemic. These have all contributed to further challenges around the Council's budget which underlines the contribution that fees income makes to this.
- 1.3 The contribution of Fees and Charges as part of the annual budget setting process is an opportunity to maximise its financial position in the current economic climate, and to achieve policy objectives.
- 1.4 Income generation can be achieved from both statutory and discretionary services. Where fees and charges apply to statutory services, these are often set nationally, for example as in the case of planning fees. Whilst these fees are fixed they still make a contribution to the financial planning of the Council.

- 1.5 The Local Government Act 2003 introduced the power for local authorities to charge for discretionary services. Discretionary services are defined as those services that a council has the power to, but is not obliged to, provide.
- 1.6 This report primarily focuses on the fees and charges set by the Council for discretionary services it provides, but excludes some internal trading ventures where goods and services are provided and prices are clear at the point of sale (e.g. bar and café facilities or shop brought goods). These do still contribute to the overall financial position of the Council.
- 1.7 Rental income budget lines (such as those relating to commercial properties) are reviewed as part of the annual budget-setting process, but are excluded from the annual fees and charges review as generally these are negotiated over rental periods of more than one year, and are thus accounted for separately within the Medium Term Financial Plan (MTFP).
- 1.8 The responsibility for determining fees and charges has been delegated to Directors and Assistant Directors (with the exception of car park fees and rents for HRA properties). The Financial Procedure Rules require that fees and charges are reviewed at least annually in accordance with the Council's budget setting framework. In reviewing fees and charges, Directors will have liaised with their appropriate Lead Member to consider any proposed revisions to charges, or the introduction on new charges.

## 2. Charging Strategy

- 2.1 The authority has in place a Charging Strategy which outlines the key considerations of the council to ensure that fees and charges for services are set in a transparent and consistent manner.
- 2.2 As part of the Fees and Charges review exercise, the Charging Strategy has been reviewed; the review concluded that the strategy did not require any significant updates from that agreed with Members in November 2011. The three fundamental principles when considering fees and charges continue to be:
  - **Services should raise income wherever there is a power or duty to do so.** This maximises opportunities for income generation in the current economic climate.
  - **As a minimum, the income raised should cover the full costs of providing the service.** This enables the council to respond to any increases in the cost of the delivery of services and, in effect, minimises the subsidies associated with a particular service for council tax payers.
  - **Any departures from this policy must be justified in a transparent manner.** Any deviation from the policy should be explicitly outlined and agreed by the relevant Director, presented to Management Team for consideration and notified to the appropriate Lead Member.
- 2.3 The Charging Strategy is attached at Appendix Two for Member information.

### **3. Fees and Charges review 2022-23**

3.1 Senior Officers, in conjunction with their Lead Member, have reviewed the current schedule of fees and charges and determined the level of fees and charges for the forthcoming financial year. In doing this, consideration will have been given to the cost of providing services and benchmark of charges undertaken with other service providers to not only compare the amount being charged, but also to identify any new income opportunities. The impacts of the pandemic are still affecting fee income.

3.2 The proposed fees and charges for 2022-23 which will be effective from 1 April 2022 (unless otherwise stated) are provided at Appendix Three. This excludes charges where the charge is clear at the point of purchase (e.g. retail sales, theatre tickets, bar and café). A summary of the review outcomes for key service areas is outlined in section 3.3 to 3.8 on the following pages.

#### **3.3 Car Park Charges**

3.3.1 The income generated from the town centre car parks continues to be impacted by the lasting effects of the COVID-19 pandemic. As a consequence parking charges have not been increased since February 2019, in recognition that this has a wider impact on the local economy and Gravesend town centre.

#### **3.4 Development Management**

3.4.1 **Pre planning application advice** - Charges have been increased in line with inflation for 2022-23. There has been a small increase in this income stream during 2021-22 as a result of increased applications being made.

#### **3.5 Leisure Services (GCLL)**

3.5.1 The scale of charges in place from 1 January 2022 for Cascades and Cygnet Leisure Centres, (as determined by Gravesham Community Leisure Limited (GCLL)) is provided at Appendix Four for Member information. There has been no increase in charges since January 2021 and there are no plans to change the charges for 2022-23. This is due to the current uncertainties in the leisure industry arising from the pandemic.

#### **3.6 The Woodville**

3.6.1 During the last financial year, The Woodville was used to support the COVID-19 Vaccination programme by opening as a vaccination centre. The future impact on the use of the cultural and theatre space remains uncertain. As a consequence budgets have been left largely unchanged.

#### **3.7 Waste Collection Services**

3.7.1 A fortnightly garden waste bin collection service is provided by annual subscription and the cost of this service is proposed to increase from £48.50 a year to £50 a year for a 240 litre brown wheelie bin. For customers requiring smaller collections of garden waste, the charge for the 140 litre bin service will increase from £33.50 a year to £34.50 a year. The increase covers extra staff costs: as the uptake of the service increases, more bin rounds are required to be scheduled.

### 3.8 Cemeteries and Burials

- 3.8.1 Charges have been increased to reflect a modest increase in costs. Income projections have remained unchanged to reflect increased uncertainty as the Cemeteries service is impacted by reduced availability of plots.

## 4. Financial Impact

- 4.1 As referenced in paragraph 1.2 of this report, the council intends to deliver £270,000 of additional income from fees and charges between 2016-17 and 2022-23.
- 4.2 As shown in the table below, activity under the fees and charges work stream will have delivered £251,000 of the £270,000 target by 2022-23.

	Expected Value of Activity (£)	Activity Implemented and reflected in MTFP (£)	Cumulative
<b>Fees and Charges Activity</b>	<b>270,000</b>		
Fees and Charges Review - 2017-18 budget setting		60,000	60,000
Fees and Charges Review - 2018-19 budget setting		43,430	103,430
Revised Garden Waste charges from April 2018		25,000	128,430
Fees and Charges Review - 2019-20 budget setting		40,170	168,600
Fees and Charges Review - 2020-21 budget setting		43,200	211,800
Fees and Charges Review - 2021/22 budget setting		15,200	227,000
Fees and Charges Review - 2022/23 budget setting		24,000	251,000

## 5. BACKGROUND PAPERS

- 5.1 Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

**IMPLICATIONS****APPENDIX 1****Legal**

The Local Government Act 2003 introduced the power for local authorities to charge for discretionary services.

- The approach recognises that some for some services, the ability to charge and extent of any charging is established in legislation or by regulation. The income of the authority from rents and other charges in respect of houses and other property
- The expenditure in respect of the repair, maintenance, supervision and management of such property
- Such other matters connected with the HRA

Implementation of the proposals will secure that the account does not show a debit balance.

The Local Government Act 2003 requires the Chief Financial Officer to provide a view of the robustness of the estimates and the adequacy of the level of reserves.

**Finance and Value for Money**

Local authorities have a duty to ensure that their financial management is adequate and effective and that they have a sound system of internal control and management of financial risk. The approach set out in this report will enable the council to consider the levels of fees and charges levied as a contributory factor to setting a balanced budget.

The Medium Term Financial Strategy (2016-17 to 2019-20) set out the intention to increase Fees and Charges income by £270,000 over the period. This period was extended to 2022-23

By 2022-23 the cumulative budget for Fees and Charges has been subject to a net increase of £251,000.

**Risk Assessment**

Without reviewing its levels of fees and charges in line with neighbouring councils and other service providers, the council will be a risk of losing potential income it may be able to generate.

The approach recognises the impact that ‘other forces’ may have on the levels of fees and charges set and will therefore take into consideration where potential increases may adversely affect demand for the service and, in turn, impact on the council’s budget.

**Data Protection Impact Assessment**

A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.

- a. Does the project/change being recommended through this paper involve the processing of [personal data](#) or [special category data](#) or [criminal offence data](#)?

A definition of each type of data can be found on the Information

	<p>Commissioner’s Office website via the above links.</p> <p><b>No</b></p>
	<p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice?</p> <p><b>N/A</b></p>
	<p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at <a href="mailto:gdpr@medway.gov.uk">gdpr@medway.gov.uk</a>.</p> <p><b>N/A</b></p>
<b>Equality Impact Assessment</b>	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p><b>No - Should any budget proposals carry potential equalities issues, this will be identified and addressed through a separate report.</b></p>
	<p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p><b>As above</b></p>
	<p>c. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p><b>No - Should any budget proposals carry potential equalities issues, this will be identified and addressed through a separate report.</b></p>
<b>Corporate Plan</b>	Corporate Plan Objective 3: Progress – Strong Leadership, specifically the commitment for Sound Financial Management.
<b>Crime and Disorder</b>	N/A
<b>Digital and website implications</b>	N/A
<b>Safeguarding children and vulnerable adults</b>	N/A