

This Report will be
made public on
1 December 2020

Report Number **C/20/58**

To: Cabinet
Date: 9 December 2020
Status: Key Decision
Head of Service: Charlotte Spendley, Director of Corporate Services
Cabinet Member: Councillor David Monk, Leader

SUBJECT: FEES AND CHARGES 2021/22

SUMMARY: This report focuses on the proposed fees and charges for 2021/22 which will contribute towards meeting the council's 2021/22 budget objectives and Medium Term Financial Strategy.

The Council's Fees and Charges Policy was revised and agreed by Cabinet on 15 November 2017 (Report C/17/54).

REASONS FOR RECOMMENDATIONS:

Cabinet agreed the recommendations set out below because the fees and charges are essential to support the delivery of the MTFs and Budget Strategy.

RECOMMENDATIONS:

1. To receive and note report C/20/58.
2. To approve:
 - (i) The 2021/22 fees and charges which are set at the discretion of the council for the General Fund and Housing Revenue Account, as outlined in Appendix 2;
 - (ii) The parking charges in Appendix 3;
 - (iii) The statutory charges subject to discretionary charges in Appendix 4.

1. INTRODUCTION AND BACKGROUND

- 1.1 The Fees and Charges Policy sets out the Council's charging framework. The Policy is outlined within Appendix 1 in full. It is felt that the policy remains relevant and no changes to the policy are proposed at this time.
- 1.2 The proposal for 2021/22 is to apply the CPI rate at June 2020 (0.8%) as the benchmark for price increases. There are exceptions to this principle where an inflationary increase is anticipated to have an adverse impact on demand or where it would place the charge out of line with comparable services in neighbouring councils.
- 1.3 Due to Covid-19, Central Government announced the introduction of a Sales, Fees & Charges (SCF) income compensation scheme in 2020/21 and announced as part of the Spending Review 2020 on 25th November that this scheme will be extended into the first 3 months of 2021/22.
- 1.4 The proposed discretionary fees and charges for 2021/22 are detailed at Appendices 2 to 4.

2. DISCRETIONARY FEES AND CHARGES – APPENDIX 2

2.1 Governance and Law

- 2.1.1 Legal Fees – proposed increases are broadly in line with inflation however, some fees have been split out into a more detailed breakdown such as licences for alterations and leasehold administration fees (post Right to Buy matters) to ensure the charging schedules are clearer.
- 2.1.2 Hythe Pool – proposed increases are broadly in line with inflation, however some charges remain unchanged due to current fees being in line with other leisure providers, or in some cases more.
- 2.1.3 Waste & Recycling – to enable full cost recovery it is proposed to increase the bulky household collection for 1 item from £24.99 to £30 and the bulky waste additional items, which are collected on the same visit, from £6 to £8.
- 2.1.4 Waste & Recycling – it is proposed to merge the fee for the supply and delivery of the 660 litre wheeled bins with the 660 litre wheeled bins (recyclables) to be £252 and to merge the fee for the supply and delivery of the 1100 litre wheeled bins with the 1100 litre wheeled bins (recyclables) to £259 to simplify the charging structure.
- 2.1.5 Waste & Recycling – in line with the new waste contract and the new schedule of rates it is proposed to increase the food waste collections for kerbside container and kitchen caddies, the new property container offer, black and purple box recycling containers.

2.2 Housing Services

- 2.2.1 Leaseholder Services – it is proposed to introduce a new fee of £75 for arrears administration, for stage 3 arrears cases, and introduce a major works service charge management fee of 10% per major work. These are included within the leaseholders lease but previously hasn't been charged for.
- 2.2.2 All HRA resident charges to be increased by inflation rate in line with the agreed policy. Rent setting will be considered separately through the January HRA Cabinet paper and is not subject to these inflationary increases.

2.3 Operations

- 2.3.1 Hire of Land – all fees and charges to remain the same except for the administration fee for arranging TPC road closures which is proposed to increase from £25 to £30 and the cleaning and re-stocking charge for use of the toilets used by event organisers from £133 to £138. This is in line with other local authorities.
- 2.3.2 Allotments – to enable full cost recovery it is proposed to increase the Full Plot allotments from £41.80 to £43 and the Half Plot allotments from £20.90 to £22.
- 2.3.3 Private Lifeline - no increases are proposed so that our charges remain competitive when compared with other providers, apart from the Warm Homes contract we have with KCC, which is proposed to increase from £2 to £2.40 per call, this has been negotiated with KCC.

2.4 Place

- 2.4.1 Cemeteries – the proposed increases are broadly in line with inflation however, some fees have remained the same and some have increased slightly above inflation to enable full cost recovery.
- 2.4.2 Vehicle Licensing - proposed increases are broadly in line with inflation however, it is proposed to increase the Private Hire Driver licence from £135 to £312 and the Dual Driver fee from £185 to £312. Our current fees for these are extremely low and the increase would make us more in line with other local authorities.
- 2.4.3 Vehicle Licensing – it is proposed to introduce a more detailed charging structure for Private Hire Operator Licences, which will fall into 2 distinct categories. The single vehicle operator fee will increase from £63 to £120 and the multiple vehicle operator (more than 1 vehicle) fees will increase from £63 to £943.
Vehicle operators with more than one private hire vehicle require considerably more work than a single vehicle operator and this includes, but is not limited to, additional record checks, examination and assessment of a variety of documents and complaint investigations in accordance with the current Department of Transport Statutory Taxi & Private Hire Vehicle Standards.

These increases would make us more in line with other local authorities and the fees have been benchmarked across 8 other Kent local authorities and can be split and paid over a 4 year period.

- 2.4.4 Market fees – to encourage activity it is proposed to reduce the stall charge to £1 per foot per day for regular stall holders and to £2 per foot per day for casual stall holders for both Sandgate Road and Guildhall Street.
It is proposed to introduce a new fee structure for New Markets that are set up relating to the number of stalls (5-20 and 21+) and to be split out by the maximum number of days (14 days, 15-52 days, 53+ days).
- 2.4.5 Miscellaneous Licensing – it is proposed to introduce a new personal licence fee of £10.50 for the change of details to licence that does not require an officer visit. This is to enable full cost recovery.

3. PARKING CHARGES 2021/22 – APPENDIX 3

- 3.1 It is not proposed to apply inflationary increases across the parking charges schedule for 2021/22.

4. STATUTORY CHARGES SUBJECT TO DISCRETIONARY FEES – APPENDIX 4

- 4.1 Local Land charges – proposed increases are broadly in line with inflation however, it is proposed to increase the official search of local land charges register fee from £20 to £25, which is line with other South East Kent authorities.

5. 2021/22 GENERAL FUND BUDGET IMPLICATIONS

- 5.1 The following budget changes have been proposed though the Budget Strategy document also being considered at this meeting in respect of income budgets. Additionally there are a few smaller income adjustments reflected in the Budget Strategy position through the base budget review. Several of these adjustments however are reflective of current trends rather than proposed changes to the fees & charges schedules.

The increase comprises:

	£
Increased income:	
Hythe Swimming Pool	2,400
Recycling & Waste	14,800
Building Control	2,400
Planning Application Fees	11,200
Lifeline	7,200
Vehicle Licensing	13,300
Licensing	4,100
Various	9,900
	<hr/>
Net	<hr/> £65,300 <hr/>

6. PROPOSED AMENDMENTS TO HOUSING REVENUE ACCOUNT FEES AND CHARGES

Charges for Wastewater Treatment Works and Pumping Stations

- 6.1 The 2020/21 Fees and Charges report highlighted that the HRA subsidises the cost of this service. As in previous years, Cabinet agreed to limit increases on the charge for this service for existing users to annual increases of 8% in 2020/21 where users of the service were already paying the maximum charge of £945 per property. Users whose charge was lower than this would continue to pay the actual cost of the service up to the capped maximum amount. Cabinet has also previously agreed that new purchasers of properties, who buy under the 'Right to Buy' scheme, pay the actual cost of wastewater treatment works and cesspools.

The increase to the capped charge takes it from £1,020 in 2020/21 to £1,100 in 2020/21 and will reduce the HRA subsidy to £1,000 from £2,000.

Cesspools

- 6.2 In 2020/21 the same principle of the council recovering its costs up to a maximum of £1,020 for each household has previously been approved for the 7 council-owned properties which drain to cesspools. This produces annual income of £7,140. The cost of the service in 2019/20 was £12,753 and if the cost is about the same in 2020/21 the HRA would be subsidising the service by approximately £5,613. In line with the above, it is recommended that the cap remains at the already approved figure of 8% per annum for 2021/22 taking the annual charge to £1,100.
- 6.3 Charges to tenants for garages, parking, room hire, etc. are to be increased by 0.8%.
- 6.4 The budget implications of these changes will be reflected in the Housing Revenue Account and Capital Original Budget 2021/22 report to Cabinet in February 2021.

7. RISK MANAGEMENT ISSUES

- 7.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Income targets are not achieved resulting in a budget deficit	High	Medium	All fees and charges and income budgets are reviewed in detail each year to ensure that they are reasonable and achievable.

8. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

8.1 Legal Officer's Comments (NE)

As a general rule, the Council is under a duty to act fairly in its decision-making, including exercising its discretion to increase relevant fees and charges. The Localism Act 2011 gives the Council a wide ambit of power to charge for its services and section 93 of the Local Government Act 2003 gives the Council capacity to charge for relevant services; on the basis it is doing so without 'trading' (or making a profit).

8.2 Finance Officer's Comments (LH)

The financial implications are set out in the report.

8.3 Diversities and Equalities Implications

The budget report to Full Council in February 2021 will include an Equality Impact Assessment of the budget recommendations for 2021/22.

9. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting.

Leigh Hall, Case Management Lead (Corporate Services)
Tel: 01303 853231
E-mail: leigh.hall@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

Budget working papers

Appendices:

Appendix 1 - Fees and Charges Policy

Appendix 2 - Discretionary Fees and Charges Schedule

Appendix 3 – Parking Schedule

Appendix 4 - Statutory Fees Subject to Discretionary Charges Schedule

General Fees and Charges Policy

All fees and charges are subject to the following general policy.

1. There shall be full cost recovery so that general council taxpayers are not subsidising the costs of an optional service. Any exceptions to this rule can only be agreed by cabinet. Where there is a substantial change between the current charge and the full cost recovery amount, the increase can be staggered over a period of up to three financial years.

In addition:

2. Fees and charges are increased by the current rate of inflation (generally rounded up to the nearest 10p).

The main exceptions to this rule are:

- Court fees
- Room bookings at the civic centre – voluntary organisations
- Car parking – as subject to review in the Car Park Strategy
- Building control – subject to full cost recovery of building control chargeable element.
- Contract charges with other organisations which are subject to separate negotiations
- Commercial activities - where fees and charges need to respond to market conditions or their ability to compete effectively for tenders. These will be discussed with the relevant portfolio holder at the appropriate time but will be on the basis of covering all costs at a minimum.
- Statutory charges - over which the council has no control and will be introduced as per the respective guidance and will not be subject to this policy