



CABINET

Tuesday, 03 January 2023

Subject	Fees and Charges for the Financial Year 2023/24
Report by	Councillor Maurice Cook Cabinet Member with responsibility for Resources
Supporting Officer	Brian Mew Chief Finance Officer and Section 151 Officer Brian.mew@eastsuffolk.gov.uk

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
Wards Affected:	All Wards

Purpose and high-level overview

Purpose of Report:

The purpose of this report is to recommend to Cabinet a schedule of fees for discretionary services provided by the Council during the financial year April 2023 to March 2024. The report also notifies Cabinet of statutory fees chargeable during the same period, which are set by various other bodies.

Options:

There are options to not increase fees and charges for 2023/24, or to propose lower increases. However, the proposals presented to Cabinet represent a balance between the interests of customers and the need to keep pace with rising service costs.

Recommendation/s:

That Cabinet:

1. Approves the discretionary Fees and Charges for 2023/24, attached as Appendix A to this report.
2. Notes the statutory Fees and Charges for 2023/24, attached as Appendix B to this report.
3. Grants the Head of Environmental Services and Port Health delegated authority, in consultation with the Cabinet Member with responsibility for Community Health, to determine the Port Health discretionary charges for 2023/24, once regulatory information is made available.

Corporate Impact Assessment

Governance:

None arising directly from this report.

ESC policies and strategies that directly apply to the proposal:

East Suffolk Strategic Plan.

Environmental:

None arising directly from this report.

Equalities and Diversity:

Equalities Impact Assessment (EqIA) has been prepared in respect of various service areas where fee increases are proposed. No adverse impacts have been identified.

Financial:

The fees and charges proposals are intended to broadly reflect a 5% increase despite the above 10% levels of inflation¹ being experienced in the 12 months to date. The financial impact of this is that inflationary pressures are therefore being managed via means other

¹ CPI for November 2022 according to ONS is 10.7% - [Consumer price inflation, UK - Office for National Statistics](#)

than fees and charges, where possible. Where legislation permits cost recovery of specific services, those services are priced in line with the approach prescribed, thereby limiting the financial impact.

Human Resources:

No direct HR impact is expected to result from these proposals.

ICT:

None arising directly from this report.

Legal:

N/A

Risk:

With the current cost of living crisis, demand for discretionary services may be suppressed. Across discretionary services, managers have sought to balance this with the need to cover the rising cost-of-service delivery.

External Consultees:

Beach Hut and Chalet Association was consulted two years ago regarding fees for beach hut related licenses and services.

Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: (Select only one primary and as many secondary as appropriate)		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P02	Attract and stimulate inward investment		<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T02	Enabling our Communities		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being, and safety in our District	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
T03	Maintaining Financial Sustainability		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P12	Being commercially astute	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
T04	Delivering Digital Transformation		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>

P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T05	Caring for our Environment		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education, and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>
How does this proposal support the priorities selected? The annual fees and charges review provides an opportunity for the Council to review the cost of delivering services and the competitiveness of its pricing strategies and propose changes to allow it to remain financially sustainable.			

Background and Justification for Recommendation

1 Background facts	
1.1	<p>Income from fees and charges is an integral part of the Medium-Term Financial Strategy (MTFS), generating essential funding for the Council to help minimise Council Tax increases and/or service reductions.</p> <p>It is vital to ensure that our charges reflect any changes in costs or demands, that have either already occurred, or are expected to occur over the next year.</p> <p>In addition, the financial constraints currently faced by the Council makes it crucial to ensure its income from fees and charges is consistent with the East Suffolk Strategic Plan and relevant Government legislation.</p>
2 Current position	
2.1	<p>Fees and charges income is a vital source of income to the Council, in the region of £22 million per annum to the General Fund, including Port Health. The Council's policy is to review fees and charges each year. The Medium-Term Financial Strategy – Key Principles, states the current policy on fees and charges:</p> <p>“Increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum, fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate”.</p> <p>Fees and charges can be categorised into two groups:</p> <ul style="list-style-type: none"> discretionary fees and charges for approval by Cabinet; and

	<ul style="list-style-type: none"> statutory fees and charges that must be set in accordance with legislation and Government regulations. <p>Generally, any increase in fees and charges at East Suffolk Council will take effect from 1 April. However, if the fees and charges are set by statute these will vary per the date set by Government regulation.</p>
2.2	<p>Discretionary Fees and Charges – Appendix A</p> <p>The discretionary fees and charges schedule contains the charges and charging mechanism for services provided by the Council and for which the Council determines the appropriate pricing. It also includes statutory services for which the council sets fees based on legislation, where there is discretion on how the pricing is set. For example, government set price caps do provide discretion to set fees at points below the cap.</p> <p>The proposed discretionary fees and charges for 2023/24 as set out in Appendix A, have been set taking account of the following:</p> <ul style="list-style-type: none"> Where only the full cost of service provision can be charged, the fee or charge reflects the full cost, including an apportionment of support service costs. Where the discretionary fee or charge is set at the market rate, these have been benchmarked and set at the appropriate rate considering demand for the service but ensuring that any competitive advantage is neutralised if in competition with the private sector. Opportunities to introduce new fees as appropriate. Consideration of the impact of fee change on the use of the services. Other discretionary fees and charges which do not fall into any of the above, are increased by 5%. The target rate is significantly lower than the anticipated 7.4% inflation for 2024 specially to reflect the need to keep our services affordable considering continued pressures on household incomes. <p>Building Regulation charges are no longer published at the request of the Head of Planning and Coastal Management. This is because there is considerable competition from the private sector for the provision of this service and the publication of the Council's charges in this area would result in the Building Regulation service facing a competitive disadvantage and loss of income.</p> <p>Lowestoft Port Health and Suffolk Coastal Port Health Authority charges for 2023/24 are still under consideration by the respective service leaders due to material regulatory inputs being unavailable at the time of this report. The fees will be agreed with the relevant Cabinet Member before being published in March 2023.</p>
2.3	<p>Some noteworthy sections of the discretionary fees & charges (Appendix A) are highlighted below.</p> <p><i>Environmental health (appendix a, section 1):</i> New charges have been introduced in recognition of the additional effort required to regulate new activities for protection of residents. An administration charge is also now introduced in recognition of the resource required to deliver public health funerals.</p>

Fixed penalty notices have now been included in the fee book. This is because the enforcement service was previously provided by a third-party operator and will now be brought back in-house for closer monitoring.

Parking services (appendix a, section 3.1): Core parking service fees which came into force on 21 August 2020 remain unchanged. Off-street parking place suspension fees, however, will now match the fee for On-street parking place suspensions as the evidence indicates it takes a similar level of resource to process both. In some areas season tickets will be made available to reflect changing demand patterns.

Household waste services (appendix 1, section 3.3): Our waste services have been impacted significantly by inflationary pressures, predominantly rising fuel costs. Therefore, the proposal is to increase the garden waste collection service fee by £3 or 6.4% to £50.

In the same vein, bulky household waste service fee is proposed to increase by £3 or 6.4% to £50 for the first three items. For each additional bulky item, the fee proposal is £17, an increase of £1.

Finally, developer bin delivery charge is proposed to increase significantly to reflect rising transport costs, an increase of £13.50 to £30.

Southwold harbour and caravan-camp site (appendix a, Section 3.4 & 3.5): The Southwold Harbour Management Committee considered the proposed fees and charges at its meeting on 24 November and are recommended to Cabinet in a separate report at this meeting.

Recreation and outdoor sports (appendix a, section 3.6): The approach this year has been to align fees across East Suffolk as much as possible as there were several differences. Hence, some fees reflect the recommended 5% increase and others slightly less. The Felixstowe junior block booking and mini football pitches were the hardest to align. It is therefore proposed not to increase these fees in the South of the district until the fees match those in the North of the district. This may take two years to fully align without significant differences.

Beach huts & chalets (appendix a, section 3.8): – A 2.75% increase has been agreed with the Beach Huts Association for the licence of beach hut sites in Sizewell and Felixstowe. The three-year deal with the Beach Huts Association ends on 31st March 2024.

New beach hut rental fees are now included in the fee schedule reflecting the huts which the Council has recently build or brought back in house from third party operators. As these are new, the Council is still working to balance the pricing with its regeneration ambitions in the area. Therefore, no price increase is proposed for these beach hut rentals.

Section 106 obligation monitoring fees (appendix a, section 5.1): This is a fee which was re-instated in 2020 because of a change in the statutory guidance around charging s106 monitoring fees. As it was newly instated it hasn't been

	<p>reviewed for a few years but has now been subject to a full review bringing it up by 9.07% to £445.</p> <p>Housing services (appendix a, section 6): The housing team have taken a wholistic view of their hourly staff cost changes and capped their price increase at the percentage increase in their staffing costs – 8.25%. Price increases have been balanced to ensure services remain affordable. For example, the cost of supporting residents with disabled facility grants and renovation grants have stayed the same.</p>
2.4	<p>Statutory fees and Charges – Appendix B</p> <p>Appendix B contains fees and charges that have been set by legislation or by organisations other than the Council. Therefore, there is no requirement to make pricing decisions on the services listed in Appendix B, and they are gathered into a repository for ease of reference for residents.</p>

3 How to address current situation

3.1	Cabinet is asked to consider and approve the schedule of Discretionary Fees and Charges for 2023/24 as set out in Appendix A and to note the schedule of Statutory Charges as set out in Appendix B . The date for implementation of the discretionary fees is 1 April 2023, unless otherwise stated.
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4 Reason/s for recommendation

4.1	To set the Council's discretionary fees and charges from 1 April 2023, considering significant inflationary pressures, changes to services and the operating environment of the Council.
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Appendices

Appendices:

Appendix A	Discretionary Fees 2023/24
Appendix B	Statutory Fees 2023/24

Background reference papers: None