



## CABINET

Tuesday, 04 January 2022

<b>Subject</b>	Fees and Charges for the Financial Year 2022/23
<b>Report by</b>	Councillor Maurice Cook Cabinet Member with responsibility for Resources
<b>Supporting Officer</b>	Brian Mew Chief Finance Officer and Section 151 Officer <a href="mailto:Brian.mew@eastsoffolk.gov.uk">Brian.mew@eastsoffolk.gov.uk</a>  01394 444571

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable
<b>Wards Affected:</b>	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 2022 – March 2023. 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 2022/23, or to propose lower increases, but 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:**

1. That the discretionary Fees and Charges for 2022/23, attached as Appendix A to this report, be approved.
2. That the statutory Fees and Charges for 2022/23, attached as Appendix B to this report, be noted.

## 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 be broadly in line with current rates of inflation and will increase income in the next financial year. There have been a number of service areas where it has been deemed inappropriate to fully reflect projected inflation levels in the pricing for 2022/23, including parking services, licensing and bulky waste.

### **Human Resources:**

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

### **ICT:**

None arising directly from this report.

**Legal:**

Not applicable.

**Risk:**

There are no direct risks arising because of the fee proposals.

**External Consultees:**

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

At its meeting on 11 November 2021, the Southwold Harbour Management Committee was consulted on the 2022/23 proposed fees and charges for the harbour and the caravan and camp site.

## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<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"/>
<b>T02</b>	<b>Enabling our Communities</b>		
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"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
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"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
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"/>
<b>T05</b>	<b>Caring for our Environment</b>		
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	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
<p>The annual fees and charges review provides an opportunity for the authority to review the cost of delivering services and the competitiveness of its pricing strategies and propose changes to allow it to remain financially sustainable.</p>			

## Background and Justification for Recommendation

<b>1 Background facts</b>	
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 essential to ensure its income from fees and charges is consistent with the East Suffolk Strategic Plan and relevant Government legislation.</p>
<b>2 Current position</b>	
2.1	<p>Fees and charges income is a vital source of income to the Council, in the region of £13.5 million per annum to the General Fund (excluding Port Health).</p> <p>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"> <li>• discretionary fees and charges for approval by Cabinet; and</li> <li>• statutory fees and charges that must be set in accordance with legislation and Government regulations.</li> </ul> <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><b>Discretionary Fees and Charges</b></p> <p>The proposed discretionary fees and charges for 2022/23 as set out in <b>Appendix A</b>, have been set taking account of the following:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Review opportunities to introduce new fees as appropriate.</li> <li>• Where appropriate, alignment of fees and charges from the predecessor Councils.</li> <li>• 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.</li> <li>• Other discretionary fees and charges which do not fall into any of the above, are increased by between 2.9% and 5%. In setting a minimum rate for managers to consider in their fee reviews, we adopted the government's 2022 average forecast of inflation as of July 2021.</li> </ul>
2.3	<p>Some noteworthy sections of the discretionary fees &amp; charges (Appendix A) is highlighted below.</p> <p><b>Parking Services</b> (Appendix A, Section 3.1) - The East Suffolk Council Off-Street Parking Places Order 2020 (the Order) was sealed by the Council on 20 August 2020 and came into force on 21 August 2020. Therefore, no further review is proposed to the parking fees at this time.</p> <p><b>Beach Huts &amp; Chalets</b> (Appendix A, Section 3.7) – A 2.75% increase has been agreed with the Beach Huts Association. The exception is Cliff House Chalets (6-17) showing a proposed increase of 14.8%. These Chalets were former Band C due to historical reasons with no electricity which has now changed. These are being increased over three years to bring into line with Band B, rather than a one-off increase.</p> <p><b>Cemeteries</b> (Appendix A, Section 3.9) – In February 2021, Cabinet approved the increase of fees for burial services in the north of the district over the next two financial years, to bring them into line with the fees for the same services in the south of the district. These reflect a sensible gradual approach to fee harmonisation but do result in comparatively higher year-on-year increases.</p> <p><b>Pre-Application Planning Advice</b> (Appendix A, Section 6.2) – New fees were approved in January 2021 by the Strategic Planning Committee. Due to the complexity of the service and the requirement for ongoing review, Appendix A now only contains a reference to the <a href="#">Pre-application advice service</a> website which details up to date guidance and fees. No fee change is proposed at this time.</p>

	<p><b>Garden waste collection</b> (Appendix A, Section 3.3): The fees for our garden waste service will increase by £2 (4.4%) and will fund the increased costs of service delivery (notably refuse driver pay and fuel cost increases). The new fee compares favourably with neighbouring authorities, except for Ipswich which covers urban built up areas that are less expensive to serve.</p> <p><b>Bulky waste collection</b> (Appendix A, Section 3.3): The responsible officers determined that a freeze of this fee would encourage further uptake in the service and encourage appropriate disposal, reuse, and recycle of bulky waste items.</p> <p><b>Licencing fees</b> (Appendix A, Section 2.2): Fees for the transfer of certain business licences have not been increased in recognition of the tough business landscape and to encourage new licence holders to take over those licences as some businesses unfortunately discontinue.</p> <p><b>Southwold Harbour and Caravan-Camp Site</b> (Appendix A, Section 3.4 &amp; 3.5): The Southwold Harbour Management Committee considered the proposed fees and charges at its meeting on 11 November, and these were approved by Cabinet on 7 December.</p>
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3 How to address current situation	
3.1	Cabinet is asked to consider and approve the schedule of Discretionary Fees and Charges for 2022/23 as set out in <b>Appendix A</b> and to note the schedule of Statutory Charges as set out in <b>Appendix B</b> . The date for implementation of the discretionary fees is 1 April 2022, unless otherwise stated.

4 Reason/s for recommendation	
4.1	To set the Council's discretionary fees and charges from 1 April 2022, considering changes to services and the operating environment of the council.

## Appendices

Appendices:	
<b>Appendix A</b>	Discretionary Fees 2022/23
<b>Appendix B</b>	Statutory Fees 2022/23

Background reference papers:		
Date	Type	Available From
July 2021	Forecast for the UK Economy by HM treasury	<a href="#">Forecomp July 2021.pdf</a> ( <a href="http://publishing.service.gov.uk">publishing.service.gov.uk</a> )