

## LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	<b>Council – 14<sup>th</sup> December 2023</b>
Report Title	<b>BUDGET REVIEW - FEES AND CHARGES 2024/25</b>
Report Author/ Contact details	Linda Murray Strategic Finance Advisor - Corporate Finance Department linda.murray@walthamforest.gov.uk
Wards affected	None specifically
Public Access	OPEN
Appendices	1(i) - Analysis of Income Budgets 2023/24 1(ii) - Income Budgets 2023/24 – 2024/25 1(iii) - Fees & Charges 2024/25 2 - Equalities Assessment

### 1. SUMMARY

1.1 This report sets out the proposed Fees and Charges for 2024/25.

### 2. RECOMMENDATIONS

2.1 For the reasons set out in this report, Council is recommended to:

2.1.1 **agree** the schedule of Fees and Charges as set out in Appendix 1(iii).

2.1.2 **Agree** the proposal that the Fees and Charges can be uplifted as early as 1<sup>st</sup> February 2024 and no later than 1<sup>st</sup> April 2024.

2.1.3 **Note** the increase in the statutory planning application fees set by parliament from the 6<sup>th</sup> December 2023 outlined in 3.8.1.

### 3. PROPOSALS

3.1 The proposals for Fees and Charges for the majority of services are set out in Appendix 1(iii) with the following exception:

Street Trading which operates as a ring-fenced account.

3.2 Fees and Charges will be uplifted by an estimate of 5% for inflation however, some fees and charges are set by statute and are increased in line with the actual, allowable increase.

3.3 Due to the current budget pressures, services have been requested to look to maximise income when setting their fees and charges for

2024/25, bearing in mind issues relevant to their particular circumstances. Services are also minded to ensure cost recovery and were required to obtain benchmarking data to assess comparability. The level of increase is based on a minimum assumption of 5% inflation increase for 2024/25. Where services recommend an increase lower or higher than inflation there must be justification and notes are contained in Appendix A (iii) as appropriate.

- 3.4 Where possible budgets were uplifted to match the increase in fees and charges. However in some cases, whilst fees and charges were uplifted, it was not possible to increase the budgeted income where services are unable to achieve the current income targets.
- 3.5 It is proposed that assuming the fees and charges schedule is approved by Council that the Fees and Charges should be uplifted from the 1<sup>st</sup> of February 2024 where feasible but no later than the 1<sup>st</sup> of April 2024, in order to reduce the current in year overspend.

## **SPECIFIC PROPOSALS**

### **People**

#### **3.6 People - Adults**

- 3.6.1 The proposals for Fees and Charges for Adult Services are reviewed in the light of the implementation of the Care Act and Personalisation agenda and should be considered in the context of the substantial changes being experienced within the service. The statutory guidance issued under the Care Act 2014 sets out principles that local authorities should consider when making decisions on charging.
- 3.6.2 The setting of fees and charges are based on reviewing unit cost of the applicable services. Unit costs have been applied to all services to retain a consistent logic as the basis for the charge. In considering the proposed increases, officers in Social Care were also mindful of the costs charged by other boroughs.
- 3.6.3 In practice, for Adults Social Care, the residential charges are governed by the Care and Support Statutory Guidance issued under the Care Act 2014 and the Community-based services are governed by the Fairer Contributions Policy (FCP). Residents will only be expected to pay what they are assessed to be able to afford. Any increase in charges would therefore only impact people who are assessed as Full Cost Payers (currently, with undeclared resources or known capital in excess of £23,250, this will be revised upwards through the implementation of the Charging reforms). Once a financial assessment has been carried out a person in receipt of services is notified of the amount of the financial contribution, if any, they are expected to make. The process ensures that they retain a minimum level of income known as the Minimum Income Guarantee.
- 3.6.4 The underlying principle of the fees and charges for Adults in 2024/25 is to help people to make informed decisions to help them live independently with choice and control over the services they receive.

With this in mind, the calculations take account of unit costs which may help develop a better service offer to self-funding residents who may wish to use Council services.

- 3.6.5 The Council has reviewed the basis of the Community Alarms charge and has determined that the charge should remain split between the basic community alarm and telecare. This will ensure that people only pay for the service they receive. The proposal is to increase these charges by 5%. The proposed charges for Community Alarm users (who have no other telecare charges) will pay £3.30 per week and the telecare users pay £5.50 per week. The charge is for either one service or the other, (they are not added together), and can be disregarded in the assessment for Fairer Contributions.
- 3.6.6 The Day opportunities review resulted in there being one service defined as Day Care, which is based at Markhouse Road. The maximum charges have been reviewed to reflect the unit cost of provision and will only impact full cost payers. Financial assessments are carried out on residents annually using appropriate guidelines as set out in the Care Act who, as a result of that assessment only pay what they can afford.
- 3.6.7 The basis for charging for Dementia Support was reviewed last year. The proposal is for the current charges to increase by 5%.
- 3.6.8 Charges for our in-house residential accommodation (Alliston House, George Mason Lodge and Mapleton Road) have been reviewed to take into account any changes in the costs of provision. The calculations include a review of the allocations of central recharges. Financial assessments are carried out on residents annually using appropriate guidelines as set out in the Care Act who as a result of that assessment only pay what they can afford.
- 3.6.9 The proposal is to increase the maximum fees by around 10% for the in-house residential care homes for new residents from £1,077.31 to £1,188.20 per week - an increase of £110.89.
- 3.6.10 It is proposed that the maximum fees cap which had previously been set for self-funders who had entered our in-house residential care homes Pre-April 2016 is now removed from 2024-25. This is because there are no remaining residents who entered the homes prior to April 2016 and no longer any reason to have more than one maximum rate.

### 3.7 **People - Children's**

- 3.7.1 There are three services with fees and charges to residents.
- Education Music Service fees have been increased by an average of 5%.
  - Education Welfare: no change, as the charges are statutory.
  - Queens Road: lettings fees have increased by 5% although no increase to the change to the centre's income target as this was set when more lettings were achievable. Currently, lettings are limited as the majority of the premises is used to deliver Council services.

## **Place**

### **3.8 Place – Regeneration, Planning and Delivery**

- 3.8.1 Fees for planning applications are nationally set by Parliament. From the 6<sup>th</sup> December 2023, statutory planning fees will increase by 35% for applications for major development and 25% for applications for all other applications. From 1<sup>st</sup> April 2025, annual indexation will be introduced for planning application fees, capped at 10%. The previous increase in fees were applied in January 2018.
- 3.8.2 Charges for pre-application planning advice are being increased to take account of inflation and service demands. The proposed additional income from pre-application planning advice will be used to finance the additional resource requirements to meet service demands. Fees have been benchmarked against neighbouring authorities.
- 3.8.3 Building Control fees are set in accordance with the Building Regulations (Local Authority Charges) 2010. Fees were increased in 2022-23 by 10% to recover costs in accordance with the Building Control Regulations and there is no increase proposed in 2024-25
- 3.8.4 Land Charge fees are set on a cost recovery basis, there is no increase proposed in 2024-25. The fees have been benchmarked against neighbouring authorities.
- 3.9 There will be no increase in fees for Adult Learning for 2024-25 due to the current economic climate and the cost-of-living crisis. The fees have been benchmarked against neighbouring authorities.

### **3.10 Place – Culture and Destinations**

- 3.10.1 Museums and Galleries fees and charges are proposed to be increased between 5% and 10% to recover some of the increase in operating costs. There is a need to remain competitive for on-line sales, licensing partnerships and to attract visitors to increase the footfall, thus maximise on-site income.
- 3.10.2 Walthamstow Assembly Hall and Chingford Assembly Hall remain unavailable to be used as a venue as part of the Town Hall Complex redevelopment and continued use as a Food Distribution centre. Venue hire prices will be undergoing a review as part of the newly delivered offer.

### **3.11 Place - Housing**

- 3.11.1 Homelessness removal charges will remain unchanged. These are considered to provide full cost recovery, although this position remains under regular review.
- 3.11.2 All other charges have been increased following a robust benchmarking exercise.

## **Neighbourhood and Environment**

### **3.12 Neighbourhood and Environment - Regulatory Services & Contingency Planning**

- 3.12.1 Within CCTV the Evidence Request Charge has been increased from £145 to £153 to cover costs incurred in providing the service, a 5.5% uplift.
- 3.12.2 Within Premises Licensing and Trading Standards most fees are at the statutory maximum, with other fees increased by an average of 5%. A new Premises Licensing Pre-Application Advice service has been introduced for traders and businesses, to support their business activities and make successful premises licence applications and variations. Similarly, a new fee has been introduced regarding Accredited Financial Investigation work which will permit the Council to pursue proceeds of crime to tackle cases of consumer detriment and fraud in partnership with third party agencies.
- 3.12.3 Within Private Sector Housing and Licensing, selective and additional (HMO) license fees were set at the commencement of the schemes in 2020 and will remain in place until the schemes end in 2025. There is no increase in HMO license fees for 2024/25 following the recent introduction of a new pricing structure that increased previous fee levels. Charges for statutory notices under Part 1 Housing Act are set to increase by 5.5%.
- 3.12.4 Within Street Trading, fees have been reviewed following a benchmarking exercise and aim to bring the Council in line with neighbouring/similar sized market authorities. This will apply an uplift of 10% across most fees in order to cover the operational costs of the service (staffing, administration, and other overheads etc).
- 3.13 Neighbourhood and Environment – Neighbourhood Services**
- 3.13.1 Sports Leisure charges have been updated to align with all equitable sports grounds. Previously there were some inconsistencies in some of the prices across facilities. All 3 of the 3G pitches in Waltham Forest are FA pitch registered and therefore the prices for all 3 pitches are now consistent. Due to alignment of pricing some have increased beyond 5% whilst others have reduced.
- 3.13.2 Car Parking fees have been increased to £1.70 for up to one hour, £2.80 for up to two hours, and £3.90 for up to three hours. Town Hall Car Parks (including Willow House) do differ and have increased to £3.90 for up to one hour, £4.60 for up to two hours, £5.60 for up to 3 hours and £8.70 (up to four hours).
- 3.13.3 On Street Parking charges (pay by phone, pay and display and voucher scheme) have all been increased by £0.10 so the half-hour pay by phone charge is now £1.60 with this digital option being the cheapest.
- 3.13.4 Fees for Business, Residents and staff permits increase in line with the whole pricing structure – low emission cars increasing by a lower percentage than standard and high emissions to encourage a greener car usage.
- 3.13.5 Parking penalty charges are at the statutory maximum.
- 3.13.6 The overall rationale for increases is in line with the Climate Emergency declared by the Council. Road maintenance, transport related

improvement projects and the service provision costs are funded from the revenue received from parking related fees.

- 3.13.7 Recycling Bin Hire and the Refuse Bin Hire charges have been increased to reflect the changes in inflation. Charges for kerbside bin replacement will increase to £25.
- 3.13.8 Dog enforcement fees have been increased on average by 6%.
- 3.13.9 Within Parks, fees for Open Space and allotment hire have been increased at an average of 5%.
- 3.13.10 Cemetery fees have been reviewed through a benchmarking exercise and continue to be in line with other boroughs – all fees have been increased accordingly except for any fees that relate to children.

### **Resources**

#### **3.14 Resources – Revenues and Benefits**

- 3.14.1 Court cost recovery is set within a regulatory framework that seeks to recover set recovery costs for Council Tax and Non-Domestic Rates. Following a review in October 2022 of the court cost fees, the court fees were agreed and updated in March 2023 for implementation in 2023/24 onwards. The fees were reviewed again in September 2023 and we have decided that both charges will remain unchanged.

#### **3.15 Resources – Governance and Law (Mortuary)**

- 3.15.1 The charges for the mortuary are comparable with other London mortuary costs and reflect the cost of providing mortuary services primarily to the East London Coronial Service. We operate a two-tier system of charges, being a reduced rate for the East London Coronial boroughs and a mutual aid agreement in place. The mortuary receives income from service level agreements in place with various third parties, including Mid and South Essex NHS Trust and the London Borough of Tower Hamlets.

### **Deputy Chief Executives**

#### **3.16 Deputy Chief Executives - Communications**

- 3.16.1 Fees and Charges for Waltham Forest News will remain unchanged to ensure they remain competitive, including with other local authorities. Nevertheless, there will be a 5% increase for leaflets drops and inserts, representing only 2.5 % of the total income target. Despite this increase in leaflets drops, there will be no overall income budget increase, as our capacity for uptake has not reached its maximum potential.
- 3.16.2 Two new forms of advertising via recycling vehicles and digital kiosks are being introduced and it is estimated this should generate an additional £0.033 million in additional revenue.

#### **3.17 Deputy Chief Executives – Customer Strategy and Digital**

- 3.17.1 The libraries service has proposed a 10% uplift on all lettings fees and charges and increases of between 5% and 10% for other fees and charges. Due to an overall shortfall in income within the libraries service the overall income budget will not increase.

- 3.17.2 The Citizenship Ceremonies and Registrars service charges remain unchanged where the statutory maximum fee has been applied in line with the General Registry Office (GRO), whilst other fees and charges will experience increases ranging from 5% to 10%.

#### **4. OPTIONS & ALTERNATIVES CONSIDERED**

- 4.1 In the case of fees set by statute and/or regulation there is no discretion as to the level of charges. For other charges, the rates are discretionary, and the Council has power to freeze, decrease or increase fees by a different rate. However, setting fees at a lower rate or reduced rate of increase is likely to increase the Council's overall savings targets for 2024/25 and beyond.

#### **5. SUSTAINABLE COMMUNITY STRATEGY PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)**

- 5.1 The Council's budget provides the financial resources to deliver the priorities of the authority. Fees and Charges feed into the Medium Term Financial Strategy, which acknowledges the financial challenge ahead and addresses many of the more urgent problems.

#### **6. CONSULTATION**

- 6.1 This report forms part of a process that will lead to the setting of the Council Tax for 2024/25.

#### **7. IMPLICATIONS**

##### **7.1 Finance, Value for Money and Risk**

- 7.1.1 Every effort is made to collect Fees and Charges in an efficient manner to the benefit of all residents.
- 7.1.2 Where feasible fees and charges are assumed to increase by 5% which is less than the current rate of inflation, where CPI (Consumer price Index) stands at 6.7%.
- 7.1.3 Income from fees and charges within the scope of the proposals forms a substantial part of the Council's budget. The total budget for controllable Fees and Charges is £47.531 million in 2024/25. A breakdown of the budgets is shown in Appendix 1(i).
- 7.1.4 It is estimated that the additional annual income generated as a result of the fees and charges review is £0.774 million as set out in Appendix A (ii).
- 7.1.5 At the time of writing, the Government is expected to announce the provisional settlement later this month. This is likely to have an impact on Local Government Finance, therefore the Council may review the level of some Fees & Charges.

##### **7.2 Legal**

- 7.2.1 The Council may charge for its services where there is express statutory authority to do so, e.g. for recreational services or halls fees. The level

of fee chargeable for statutory services may be set by statute or be limited to cost recovery. The Council may also charge for discretionary services under section 93 of the Local Government Act 2003 or under the general power of competence in s.1 of the Localism Act 2011, where there is not already an existing power to charge. Fees are limited to cost recovery. The Council cannot plan to make a profit; if it did so then it would be acting commercially and can only provide services on a commercial basis through a Company.

7.2.2 Save where expressly reserved to Full Council, the setting of fees is an executive function which is delegated to Cabinet collectively under the Council's constitution and executive arrangements. Fees reserved to Full Council will be agreed at the budget setting Council in 2024.

7.2.3 The Council can lawfully fix the fee to accompany an application under its selective licence scheme as per s.87 of the Housing Act 2004.

### 7.3 **Equalities and Diversity**

7.3.1 An initial screening exercise of the equality impact of this decision was undertaken and determined there was minimal impact on the Council's equality duty. This report forms part of a process that will lead to the setting of the Council Tax for 2024/25 where a full EA screening will be undertaken. It is possible that there will be indirect adverse impact through the increase in fees and charges to those with protected characteristics. There is evidence that shows these groups are disproportionately represented in lower income groups and so are less able to afford increased fees. The Council must also consider countervailing factors when reviewing fees and in particular, its difficult financial position and need to limit the risk of making substantial savings. The fees and charges have been reviewed by respective Portfolio Holders and Service Areas.

7.3.2 Having accessed each area, that had an increase above 5%, no equalities impacts were identified for the majority of services due to the increases either being so small as to make no impact or being optional / non-essential services, that residents can choose not to use if they are unhappy with the price increase. Where the service was essential or non-optional e.g. enforcement fines etc, the price increases are unavoidable due to external factors such as increased cost of materials.

### 7.4 **Sustainability (including climate change, health, crime and disorder)**

7.4.1 This report has no direct effect on the health of people living in Waltham Forest. There are also no direct climate change implications.

### 7.5 **Council Infrastructure (e.g. Human Resources, Accommodation or IT issues)**

7.5.1 This report has no direct effect on Council Infrastructure.

**BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)**



There are no background documents.