

CABINET

16 November 2021

Title: Fees and Charges 2022	
Report of the Cabinet Member for Finance, Performance and Core Services	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
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Accountable Director: Philip Gregory, Finance Director	
Accountable Strategic Leadership Director: Claire Symonds, Managing Director	
Summary <p>The Council provides a wide range of services to residents, visitors, local businesses and others. Many services are provided free of charge at the point of need while for others it is fairer and more appropriate that the service user should pay for the services received. The ability to charge for some services has always been a key funding source to Councils and will continue to be so.</p> <p>This report recommends the appropriate level of fees and charges across all directorates, to take effect from 1 January 2022 unless otherwise stated.</p> <p>In preparing the proposed fees and charges, Services have worked within the framework of the agreed Charging Policy. Each service has been reviewed and the charges are set at a fair and reasonable level which wherever possible is in line with competitive market rates for the service.</p> <p>The full list of proposed charges is detailed in Appendix A to this report.</p>	
Recommendation(s) <p>Cabinet is recommended to:</p> <ul style="list-style-type: none">(i) Agree the proposed fees and charges as set out in Appendix A to the report, to be effective from 1 January 2022 unless otherwise stated;(ii) Note the fees and charges no longer applicable from 1 January 2022, as set out in Appendix B to the report; and(iii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Managing Director and the relevant Cabinet Members, to set fees and charges to be applied from September for schools and academic year-based activities.	

Reason(s)

The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services.

The approval of reviewed fees and charges to ensure that the Council is competitive with other service providers and neighbouring councils.

1. Introduction and Background

- 1.1 Local Authorities provide a wide range of services to their residents and others and the ability to charge for some of these services has always been a key funding source.
- 1.2 Fee charging or income generating services are generally those services which are not provided on a universal basis but are specific to an individual or an organisation. For this reason, it is fair and appropriate to make a charge to the service user. Fee charging services include both statutory and discretionary services. Where fees and charges apply to mandatory services, these are often set nationally, for example some planning fees.
- 1.3 The remaining income services where the Council levies fees and charges are of a discretionary nature. These cover a whole range of services such as Libraries, Licensing, Pest Control, Commercial Waste, Drainage, Markets, Leisure and Recreation facilities, Parking and some services from the Registrar service. This report concerns itself with recommending the appropriate level of fees and charges from 1 January 2022 for these types of services.
- 1.4 In addition to those traditional income services, the Council also has the power under the Local Government Act 2003 to charge for other discretionary services that it may already provide or may wish to provide in the future.
- 1.5 There is no definitive list as to which discretionary services are covered by the powers provided in the Act although the Government has provided limited examples of what could be included, such as maintenance of older/disabled peoples' gardens, arboriculture work in private gardens, operating consumer protection approved lists, pre-application planning and development advice, highway services to private industrial estates, home energy advice, home security services and use of excess capacity in local authority services.
- 1.6 To date, in keeping with most other local authorities, the Council has not expanded use of these powers but will continue to review the potential to do so when there is a sound business case for doing so.

2. Charging Policy

- 2.1 The Council has an agreed Charging Policy which requires that all charges are reviewed annually as part of the budget setting process.
- 2.2 The Charging Policy has three fundamental principles:
 - Services should raise income wherever there is a power or duty to do so;

- Wherever possible the income raised should cover the full costs of providing the service including all overheads;
- Any departures from this policy must be justified in a transparent manner with reference to the Council's priorities and policies.

2.3 In practice the presumption is that the Council will use inflation as an indicator of how much fees and charges should rise and this is the default position. The most recently published inflation figure is used which is August 2021. The August 2021 figure was 3.2% and this has been applied in most instances to the current charge. This is then rounded to the nearest appropriate figure.

Proposed Fees and Charges 2022

2.4 Attached to this report at Appendix A are the proposed fees and charges for 2022 which will be effective from 1 January 2022 unless otherwise stated. The Appendices detail the following information:

- Description of service provided;
- Current 2022 charge;
- Proposed charges from 1 January 2022;
- Proposed increase in pounds and in percentage terms;
- The rationale for a given increase (other than uplift by inflation), as well as any other comments.

2.5 In most cases fees and charges have been increased by the Consumer Price Index (CPI) as at August 2021 of 3.2% rounded up to the nearest sensible figure.

2.6 A summary of the services that Appendix A relates to is presented within the following sections. The reference numbers quoted below relate to the line reference numbers on Appendix A.

2.7 It should be noted that some charges that were previously set by the Cabinet are no longer within the Council's direct control. These include the charges for Leisure centres which are now the decision of our commercial provider and discretionary charges for planning and capital delivery which are now the responsibility of Be First. Also, charges for cooking, cleaning and home maintenance services are the responsibility of the Barking and Dagenham Trading Partnership, although all changes will be in consultation with the Council.

2.8 There are a number of special considerations for some services which are outlined below.

3. Service by Service Review

Care and Support Services – lines 1 to 6

3.1 The Care Act 2014 gives local authorities the power to charge service users and carers for care and support within a set framework. All Councils with Social Care responsibilities are required to have a charging policy that complies with this framework. London Borough of Barking and Dagenham's charging policy is Care Act compliant and is regularly reviewed.

- 3.2 Under this policy charges levied to service users are means tested to ensure no individual is required to pay more than they can reasonably afford and no more than the cost of the care provided. In practice this limits the additional income that is received as a result of fees and charges. The charges for the in-house services have been uplifted in line with inflation. In all cases the cost charged will be subject to these means tests. An administrative charge for arranging care on behalf of self-funders was introduced last year and is a flat rate. For some social care services, last year's increase was not fully applied and it would be too difficult to justify a double uplift to clients in one year. The service is therefore proposing that the prior covid prices be used as a base and, in the case of Kallar Lodge, the cost be kept to the 2021 levels.

Community Solutions – Lines 7 to 108

- 3.3 The Council runs the Abbey Early Years Day Nursery and fees are set at three levels: full time weekly rate, a daily rate for a morning session and a daily rate for an afternoon session. Fees are to be uplifted by CPI to ensure sustainability of running the site and to ensure that fees cover the required staffing ratio while remaining affordable.
- 3.4 The Children Centre room hire charges are proposed to increase by CPI. Library service charges are to remain frozen due a requirement to rebuild usage of libraries after the covid lockdown. Barking Learning Centre room hire charges are also to remain frozen. Room hire charges for Dagenham Library are proposed to be increased by CPI and takes into account a range of considerations such as charges by similar services elsewhere.
- 3.5 The temporary accommodation charges have not been uplifted as the charges are in-line with temporary accommodation subsidy calculation, as outlined by DWP. The rent and Service charges for Brocklebank have been removed as the building is no longer used for temporary accommodation. Service charge has been increased in-line with CPI for Hostels.

Education, Youth and Childcare - lines 109 to 132

- 3.6 The main charges in this area are for room hire. There are no planned increases for 2022 which takes into reference pricing of other similar venues in the area.

Policy and Participation – lines 133 to 264

- 3.7 This section covers fees charged at heritage attractions such as Eastbury Manor and Valence House, archive services, heritage education services, park events and park ranger services. It is proposed that fees will increase by inflation of 3.2% although high level rounding has been applied.

My Place Housing– lines 265 to 290

- 3.8 Fees relating to Deeds and Licences have been increased in line with CPI. Notices and other administrative charges are set to remain at current prices following benchmarking.
- 3.9 The Eastbrookend travellers Caravan site weekly licence has been uplifted in line with CPI. The Heathway supported accommodation scheme rent and service

charge fee is to be set to be in line with L&Q rent for the building. L&Q provide notification of their intended increase in February 2022 which will come into effect from April 2022.

Law, Governance and HR – lines 291 to 331 and 1078 to 1079

- 3.10 Legal fees have been increased by CPI with the exception of the 5 fees on lines 299 to 303. These 5 fees have all been increased by £100 plus inflation of 3.2%.

Enforcement – lines 332 to 1153

- 3.11 Many fees and charges within Enforcement are set by statute. Non-statutory fees have been uplifted by CPI with the following exceptions:
- 3.12 Animal Boarding Licence Fees (Part A) and Dog Day Care Fees (Part A) have been increased to reflect the cost of veterinary surgeon fees.
- 3.13 A new pavement licence fee of £100 for cafes and streetfood vendors was introduced by the Government over lockdown. This is a streamlined process to allow businesses to secure these licences quickly and, where they are deemed to have been granted, allow these licences to remain in place for a year but not beyond 30 September 2022.
- 3.14 Barking Market and Street Trading fees have not been increased with a view to encouraging trade. The Street Trading admin fee and licence reprint fee have been increased by more than inflation to reflect the cost of officer time. The licence fee for Mobile Catering Vans has increased to £375, an increase of 7.3%.
- 3.15 The food safety reinspection fee has been maintained at £265 to encourage compliance.
- 3.16 Fees for the storage of explosives have been updated to reflect new statutory fees from April 2021.
- 3.17 A new fee of £10 for changes to Private Sector Housing licences has been introduced. This would apply to a change in the managing agent.

Parking – lines 548 to 1035 (subset of Enforcement)

- 3.18 The fees charged by Parking continue to support the Council's Parking Strategy 2016-2021 which aims to encourage the greater use of other modes of transport, but also provides a permit system that addresses the needs of the borough's various road users.
- 3.19 The key proposals set out in the strategy were: -
- Free half-hour parking in all on-street shopping locations.
 - Free one-hour parking in all council parks.
 - Adopt an area-based approach to parking controls.
 - Move to cashless payment for car parking including contactless payment cards.

- Continue to apply a lower parking permit charge for the first two vehicles per household, compared to the third and introduce a higher charge for the fourth vehicle and above.
- Establish parking permit prices which encourage low emission vehicles and improve air quality.
- Increase enforcement in areas where footway parking affects safe access for pedestrians and cyclists.

3.20 The Cabinet agreed in July 2018 to take steps to control parking through the introduction of Controlled Parking Zones in key areas, which is an ongoing programme. Fees for Residents permits are structured across 7 bands according to CO2 emissions and increase in cost for the second, third and fourth vehicles. There will be no change to residents parking permits from January 2022.

3.21 Parking fees have generally been kept at the same level with no inflationary uplift, although some fees have been reduced, eg Operational Permits and Red Staff Permits.

3.22 The main change is the introduction of a new Community/Healthcare permit. This replaces current permits for keyworkers, care agency staff, voluntary sector and doctors permits. The new permits are emissions-based across 7 bandings plus a diesel surcharge and are available to purchase for up to 4 hours, on a daily basis or annually. The fees for Community/Healthcare permits mirror the fees charged for Operational permits.

3.23 Operational permits (for LBBD Staff) which were previously only available on an annual basis are now available on a daily basis and for up to 4 hours. In addition, the annual fee has been significantly reduced. The new annual fees range from £100 pa for a Band 1 vehicle to £160 for a Band 7, plus a diesel surcharge.

3.24 New permits have been introduced for business and trades for parking of up to 4 hours or on a daily basis in a CPZ or borough-wide. This is in addition to the annual permits available to trades/businesses. A diesel surcharge is applicable.

3.25 The fees for Red Staff Permits for authorised senior officers have been brought in line with the fees charged for Standard Staff permits.

Highways, Street Works and Flood and Drainage Services fees – lines 1094 - 1153

3.26 Highways charge fees for various types of licence, eg skip permits, crane, scaffold and hoarding licences and footway crossings and white lines. These fees have been increased in line with CPI.

3.27 Street Works permits have been set at the recommended maximum DfT fee under the Statutory Guidance for Highway Authority Permit Schemes. Fees for Flood Risk and Drainage advice have been increased in line with CPI.

Public Realm – lines 1154 to 1263

3.28 Pest Control fees have been increased in line with CPI.

- 3.29 Trade refuse collection fees have not been increased so as to remain competitive. Bin hiring services (e.g. Paladin or Euro bin) have been increased in line with CPI. Green Garden Waste Subscription is set to increase by £1 (2.5%) so below CPI. New charges have been introduced for the supply of a replacement domestic wheelie bin (£25) and School recycling service (£15).
- 3.30 Cemetery fees have been increased in line with CPI.
- 3.31 Street Cleansing and fees charged for Fleet services have been increased in line with CPI. The exception being disposal costs per tonne which are increasing to £169, above CPI, following benchmarking exercise.
- 3.32 Additional Housing Collections which were established last year, are to be increased in line with CPI.

Core Services – lines 1264 to 1306

- 3.33 Charges made by Registrars have been increased by CPI of 3.2%.
- 3.34 Charges for Careline alarms have increased by CPI of 3.2%
- 3.35 Charges made by the Revenues service, e.g. for summonses for non-payment of Council Tax and NNDR, etc, have not been uplifted. As a large number of residents will have been seriously financially affected by the COVID-19 pandemic, it is not considered appropriate to uplift these fees.

4 Financial Implications

Implications completed by: Katherine Heffernan, Head of Service Finance

- 4.1 All directorates have undertaken a review of their fees and charges as part of the annual budget setting process. In general, fees and charges recover some or all of the costs of providing services from users. This generates income which reduces the cost of service borne by Council taxpayers and can also be used to achieve other strategic objectives, such as encouraging the use of particular services.
- 4.2 In general it is proposed that discretionary fees and charges are increased by a minimum of CPI rounded up to the nearest sensible level etc unless there is a compelling reason for not increasing at all or increasing by a greater amount.
- 4.3 The total amount of income generated through fees and charges will depend on price as well as volume/service take up. The Medium-Term Financial Strategy assumes that any additional general fund income will contribute towards individual service budgets and for 2021/22 there is currently no savings aligned with fees & charges.
- 4.4 Based on the current budgets for fees and charges and excluding the main exceptions to the charging policy such as Parking (where fee levels are being maintained) and Social Care (where it is subject to means testing) the expected increase in income from a 1% uplift is approximately £70k. An uplift at CPI therefore produces around £220k of additional income assuming that income levels remain in line with budget and are not affected by demand changes.

- 4.5 It should be noted however that in many the Council's fees and charges income has been affected by the impact of Covid and the lockdown and so is not meeting current budget targets.
- 4.6 As the costs of providing the services charged for will be subject to inflationary pressure and there are demand risks allowing services to retain any addition income to meet increased costs of provision is a prudent strategy for the Council.
- 4.7 Any changes to fees and charges listed in this report are applicable from 1st January 2022 unless otherwise stated.

5. Legal Implications

Implications completed by: Dr Paul Feild, Senior Standards and Governance Lawyer

- 5.1 The report seeks Cabinet approval to the fees and charges set out in Appendix A and the basis for the charging (pursuant to statutory duties or discretionary powers) and rationale are set out in the report body. To the extent that Appendix A proposes increases to charges or the imposition of new charges, the legal powers and considerations detailed below are relevant. Officers have ensured the charges proposed in Appendix A are in line with its Charging Policy, benchmarked against other similar authorities and in many cases the increases are linked to Consumer Price Index (CPI) as at August 2021.
- 5.2 The Council is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. Income generated from fees and charges contributes to the Council's finances. Local authorities are under an explicit 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 annual review of fees and charges contributes to this requirement.
- 5.3 Local authorities have wide ranging powers to charge for specific statutory services as stipulated in relevant statutory provisions.
- 5.4 By virtue of Section 93 of the Local Government Act 2003, the Council has powers to trade and to charge for discretionary services. The latter are services which the Council is not statute bound to provide but has a 'discretionary power' to provide on a cost-recovery basis. The discretionary power to charge for services is applicable where:
- no statutory duty exists to provide the service/s
 - there are no specific powers to charge for the particular service/s
 - there are no prohibitions on charging for the particular service/s
- 5.5 Further, under the Localism Act 2011 the Council has a general power of competence conferring a power to charge for services on a cost recovery basis and subject to similar conditions and limitations under the Local Government Act 2003, subject to Section 4 Localism Act 2011 which provides that commercial activity must be conducted by a company. Thus, the Council may only charge for a service under the general power of competence if: -

- it is a discretionary service
- the service user agrees to the service being provided, and
- there are no other power/s to charge for the service, including under section 93 of the Local Government Act 2003.

- 5.6 Where authorities have a duty to provide a statutory service to specified standards free of charge, a charge cannot be made for delivery of the service to the specified standard. Delivery, to a standard above and beyond that which is specified may constitute a discretionary service for which a charge can be made on the basis outlined above.
- 5.7 Some of the charges proposed in Appendix A arise from specific statutory powers (i.e. where the general powers in section 93 of the Local Government Act 2003 or section 1 of the Localism Act 2011 are not applicable).
- 5.8 The Council has a power under section 32 of the London Local Authorities Act 1990 to recover its reasonable administrative or other costs in connection with its street trading functions under Part 3 of the Act, such as the grant, renewal or variation of licences, collection or removal of refuse connected with licence holders, street cleansing and reasonable costs of administration and enforcement associated with street trading. In this instance, there is a change to base the cost on the square meterage taken up.
- 5.9 The Care Act 2014 introduced a single legal framework for charging for care and support including discretion as to whether or not to charge. The Council may charge adults in circumstances where it arranges care and support to meet a service user's needs, except where the Council is statutorily required to arrange care and support free of charge. Officers deem the Council's charging policy to be Care Act compliant. The policy is regularly reviewed and the charges are means tested to ensure that service users pay no more than they can reasonably afford.

6. Other Implications

- 6.1 **Risk Management** - In proposing these revised fees and charges officers have considered the potential of increases to adversely affect demand for or access to the services specified by end users, as well as the achievement of community priorities for particular service areas and the Council's overall budget to deliver such services
- 6.2 **Customer Impact** – Officers have amended fees and charges in a manner designed to mitigate, wherever possible, the impact on customers and service users while having regard to the need for the Council to achieve a balanced budget. The proposals are also in line with the policy to achieve full cost recovery and the continued provision of services, both statutory and discretionary which it has historically provided or considers it should provide to enable the Council to meet its corporate and community priorities. In some instances, fees and charges have been reduced in order to deliver better value for money for residents, to encourage increased take up of services or to ensure certain vulnerable groups are not impeded from accessing services. Charges may be set differentially according to classes of users.

The charges proposed in Appendix A are deemed justified in accordance with the specific charging powers or discretionary powers detailed in this report. The

responsible officers have taken reasonable steps to ensure the charges are reasonable and proportionate based on a cost recovery basis. The effectiveness of the proposed charges will be the subject of monitoring through the Council's various performance indicators, its service scorecards and the budget monitoring process.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

- Appendix A: Full list of fees and charges 2022
- Appendix B: Fees and charges deleted from the 2022 schedule