

TITLE OF REPORT: Fees and Charges 2022/23

REPORT OF: Darren Collins, Strategic Director, Resources and Digital

Purpose of the Report

1. The review of fees and charges is an integral part of the annual budget process. The purpose of this report is to request Cabinet to agree to recommend to Council the level of fees and charges across all Council services for 2022/23.

Background

2. The Council raised £19.1m from Fees and Charges in 2020/21. The forecast for this year is to raise in the region of £21.4m with the impact of Covid-19 estimated to be £5.1m.
3. The Council reviews its fees and charges annually with revised and new charges implemented from 1 April each year. As part of the annual review, all fees and charges have been considered. The review of fees and charges has been undertaken in the context of guidance indicating a general uplift where appropriate of 3.1% to reflect the inflationary increase for the year (12-month CPI rate was 3.1% in September 2021).
4. In the Council's Constitution under delegations to individual managers, the Strategic Director, Resources and Digital has delegated authority to:
 - Amend statutory fees and charges and those tied to service level agreements or charged annually;
 - Approve commercially sensitive traded fees and charges in consultation with the Leader and the Deputy Leader of the Council;
 - Amend fees and charges during the financial year for any changes in legislation, changes to statutory fees or any changes to the rate of VAT.

Proposal

5. A summary of the recommended changes to fees and charges for the Council in 2022/23 is presented in Appendix 1 and the full listing is presented in Appendix 2.
6. The overall impact of additional income generated as a result of proposed fees and charges increases on current income is estimated at £0.394m. This is largely in Adult Social Care where the additional income is expected to be offset by additional costs.

Recommendations

7. It is asked that Cabinet agrees to recommend to Council:

- (i) The fees and charges as set out for 2022/23 in Appendix 2;
- (ii) Authorisation for the Strategic Director, Resources and Digital to make any necessary adjustments to correct any errors in the schedule of Fees and Charges.

For the following reasons:

- To ensure that Fees and Charges are set in accordance with Council priorities.
- To support the delivery of the Council's budget and the strategic approach to making Gateshead a place where everyone thrives.

Policy Context

1. The proposals in this report are consistent with the Council's strategic approach 'Making Gateshead a place where everyone thrives'. The Council recognises there are huge financial pressures on not just Council resources, but those of partners, local businesses and residents. This means that the Council's decision making, including the setting of fees and charges to support the budget, will be policy and priority led and driven.
2. In the Councils' Constitution under delegations to individual managers, the Strategic Director, Resources and Digital has delegated authority to:
 - Amend statutory fees and charges and those tied to service level agreements or charged annually;
 - Approve commercially sensitive traded fees and charges in consultation with the Leader and the Deputy Leader of the Council;
 - Amend fees and charges during the financial year for any changes in legislation, changes to statutory fees or any changes to the rate of VAT.
3. The Council has explored the potential for new fees and charges for discretionary services afforded to it under its trading and charging powers.

Background

4. A review of fees and charges has taken place and the outcome of this review has informed the changes to fees and charges for 2022/23.
5. As part of the annual review, all fees and charges have been considered.
6. Proposals have been made to increase 33% of charges by 3.1% and a further 7% by above this level. In doing so it's judged that demand and delivery of Council objectives will not be adversely affected.
7. 53% of charges remain unchanged, 3% are new charges, 1% are proposed to decrease and 3% are to be removed as the Council no longer offer the service, changes to service delivery are proposed or charges have been consolidated.

Changes to Fees and Charges

8. The main changes to proposed fees and charges are listed below and the full listing of all fees and charges for 2022/23 is attached at Appendix 2.

Increases by Inflation

It is proposed that 40% are to increase (34% in 2021/22): 33% are proposed to increase by inflation, and 7% are proposed to increase by above inflation. These proposals include:

- **Adult Social Services:** The proposal is to increase the day services and meals by inflation. The charges for the Home Care Service and Extra Care are increased in line with the commissioned service rates.
- **Building Control:** It is proposed to increase the majority of services by inflation in relation to inspections, building notices and regularisation charges.
- **Cemeteries and Crematoria:** It is proposed to increase all Cemeteries and Crematoria charges by inflation.
- **Highways and Transport:** The charges for costs associated with development, Street Naming and Numbering and Network Management have been increased by inflation.
- **Housing Related Charges and Licensing:** It is proposed to apply the recommended inflationary increase to the charges relating to Housing Act 2004 Actions, House in Multiple Occupation Licenses and renewals, immigration inspections and redress schemes for lettings Agency work.
- **Licensing:** The majority of non-statutory licence fees have been increased by inflation.
- **Hire of Facilities:** The majority of charges have been increased in line with inflation.
- **Recreation:** The majority of the charges have had the recommended inflationary increase applied. Allotments prices are set every 3 years therefore a 3 year inflationary increase has been applied for charges from 1 April 2022.
- **Planning:** The charges for planning history searches are proposed to increase by inflation.
- **Business Centres:** Meeting room hire charges have been increased by inflation for the following business centres; Gateshead International, Northern Design, Greenesfield, Blaydon and Baltimore House.
- **Corporate Services:** The majority of the charges have had the recommended increase applied.
- **Registrars:** Most non-statutory charges have had the inflationary increase applied.
- **Property and Land:** Charges for Property Transactions and Copying Charges have been increased by inflation.

Increases Above inflation

7% of charges are proposed to increase by more than inflation. Proposals are;

- **Adult Social Services:** Care Call fees model have been reviewed and some increased above inflation due to shift to digital and the use of more complex items of Assistive Technology, these have been endorsed by Portfolio.

- **Car Parking:** A number of car parking charges are increasing by up to 33% due to this being the first increase applied in several years and to control demand in the following car parks; Charles Street, Church Street, Civic Centre, Quarryfield Road, Regent Court, Sunderland Road (Tynegate), Church Street (Nos 1-3), Mulgrave Terrace (Gateshead) and Queen Elizabeth Avenue. This excludes Swinburne Street Car Park and Town Hall Car Park which are both proposed to increase by 67% to bring them in line with other car parks.
- **Building Control:** Several plan charges are proposed to increase by up to 43% due to market conditions and to bring in line with other Local Authorities.
- **Highways and Transport:** Road Opening Notices are proposing to increase by 18% to 25%, charges relating to Permission to Maintain Apparatus in Public Highways are proposed to increase between 7% to 25% and Approval of temporary traffic management proposals to increase by 43%. This is due to this being the first increase applied in several years.
- **Licensing:** The charges for the provision of advice per hour for Scrap Metal Licensing, Hackney Carriage, Street Trading and Market, Gambling Act applications and Enforcement advice are proposing to increase between 6% to 8%.
- **Sport and Leisure:** It is proposed to increase some Swimming Lesson charges between 6% to 8% based on competitor analysis of neighbouring local authorities. However, no increase will be applied to Go Access Junior and Adult categories. This applies to any resident who falls within means tested concessionary criteria.
- **Business Centres:** The charges for Virtual Office Service (Gateshead International, Greenesfield, Blaydon, Baltimore House and Northern Centre for Emerging Technologies Business Centres) and Dedicated Desk (Northern Design Centre & PROTO) increase by 20% which is due to a correction of previous years charges in relation to VAT. The Occupancy Charge for Baltimore House has been increased by more than inflation to align with other Business Centres.

No Change

53% of charges are proposed not to change, 30% of which are Statutory. These include:

- **Children's Services:** It is proposed not to increase most of the charges to continue to be affordable to families from the most deprived areas.
- **Car Parking:** The service has proposed not to increase the charges in all other car parks than those listed above and some tariffs that are decreasing as mentioned later in the report. The majority of On Street Parking charges and Resident Zone Annual Permits are also not proposed to increase. This will also help support local businesses so as to not discourage customers from visiting local shops in car parks where there is currently almost no demand.
- **Development and Public Protection:** The majority of the charges are not proposed to change as they are set by statute.

- **Property and Land:** No changes proposed to search fees.
- **Housing Related Charges and Licensing:** No change to the Selective Landlord Licensing fees as these cannot be changed part way through the 5-year scheme.
- **Highways and Transport:** No increase to Streetworks charges as overall impact on revenue is negligible. Road Works and Street Works Permit Scheme unable to change for first 3 years with this being year 3.
- **Libraries:** No change to the majority of Library charges.
- **Registrars:** No increases to Statutory charges.
- **Business Centres:** No increases to hire charges in PROTO, Photogrammetry Capture Stage, Motion Capture Stage, Sound Capture Stage, Multi-Purpose Hall, Technical support, Photocopying and Business Support Services due to market conditions.
- **Sport and Leisure:** The service proposes a price freeze on charges. Due to the current situation within leisure with the service just starting to remobilise after longer periods of closure and some activities not yet operational due to resource, added to the fact that leisure is in the midst of a service review.
- **Licensing:** There have been no increases applied to Statutory Fees. There has been no increase applied to Hackney Carriage and Private Hire licence fees pending a full cost recovery review.
- **Waste Services and Ground Maintenance:** It is proposed not to increase the charges for replacement bins to remain comparable regionally. No increase to Bulky Household Waste Collections as increases could lead to increased fly tipping.
- **Planning:** There have been no change to Statutory services.

Reduced Charges

- **Adult Social Care:** The platinum monitoring, response, welfare call, annual visit, unlimited assistive technology and activity monitoring service charge have been reduced by 20% as part of a fundamental review of all Care Call charges.
- **Building Control:** Some of the Regularisation, Inspection and Building Notice charges have been reduced due to market conditions and charges in other local authorities.
- **Car Parking:** 12 month Seasonal Permit (specified days) (per day) charges in Quarryfield Road and Regent Court Car Parks have been reduced by 5% and the up to 3 hours charge in Garden Street Car Park (Oakwellgate) has been reduced by 17% as Tariff changed by Traffic Regulation Order connected with Quays development.

- **Licensing:** A decrease of 2% has been proposed for Environmental Health Enforcement Advice – per hour due to equalisation and correction of previous years charges.
- **Housing Related Charges and Licensing:** Penalty charges for redress schemes for lettings agency work and property management – reduced to correct previous years charges.

New Charges

The following charges are proposed to be included in 2022/23:

- **Adult Social Care:** A new charge for a Shopping Service where Care Call make online grocery orders for service users.
- **Car Parking:** There are new tariffs being introduced in some Car Parks. Administration fees for refunds for all parking permits (car parks and residents) are also being introduced.
- **Cemeteries and Crematoria:** A new charge for direct cremation and charges for witness scattering of cremated remains if cremation was carried out within or outside of Gateshead.
- **Highways and Transport:** New charges added for multi-phase signals application and the charging of Electric Vehicles. A new charge for the cost of employees attending events to ensure the traffic management plan is carried out to the satisfaction of Gateshead Council acting as the highway authority. The officers will also enable reactive interaction to other unplanned events on the surrounding highway to ensure the expeditious movement of traffic as far as practicable. This charge has previously been costed on an ad hoc basis but the decision has been made to standardise the charge for all events.
- **Hire of Facilities:** Caedmon Hall day time rates have changed from 2 hour, 5 hour and 8 hour rates to a standard Half day or Full day rate. The charge basis for the hire of Community Library Rooms – Central Library and Community Library Rooms – Blaydon Library have changed to an Hourly Rate and Day Rate.
- **Waste Services and Ground Maintenance:** Standard Treatments for Rodent Control have been added for each individual pest, previously the charge was provided on application. New charges for bin decontamination have been added at a range of capacities.
- **Licensing:** New charges for Variations to Street Trading Consents.
- **Business Centres:** New charges for Vacant Office Hire at Blaydon Business Centre.

Removals

The following charges are proposed to be removed from the 2022/23 brochure:

- **Building Control:** Removal of electrical work (carried out by installer not registered to an approved self-certifying Competent Persons Scheme) charges and Regularisation charge for Internal alterations, installation of fittings (not electrical) and/or, structural alterations (If ancillary to the building of the extension no additional charge) as service no longer offered.
- **Car Parking:** Removal of Computer House Car Park charges. A number of tariffs are being removed and replaced with different tariff charges. Some tariffs deleted by Traffic Regulation Order connected with Quayside Development in Pipewellgate Car Park. Charges removed for South Shore Road Car Park as permanently closed. Annual Staff permit charge removed for Swinburne Street Car Park as staff permits not available in this Car Park. Charges removed for Swinburne Street/Swinburne Place, Gateshead as charges no longer apply.
- **Hire of Facilities:** New day time rates have been introduced in Caedmon Hall, Community Library Rooms – Central Library and Community Library Rooms – Blaydon Library, therefore previous day time rates removed.
- **Libraries:** Removal of Audio/Visual Minimum replacement charge as individuals are asked to replace items.
- **Waste Services and Ground Maintenance:** Removal of Standard/Special Treatment charge which have been replaced by individual pest treatment charges. Removal of charge for Feral Cats as service no longer offered.
- **Recreation:** Removal of Bowls, Football Pitches and Cricket Pitches charges as service no longer provided.
- **Business Centres:** Removal of charges for Virtual Office & Access to Lounge (Gateshead International Business Centre) as this is provided for free in other Business Centres. This leads users to apply for physical space and using other services like meeting rooms. The Dedicated Desk (PROTO) has been removed and the charge has been replaced with a single charge for Dedicated Desk at Northern Design Centre and PROTO.

Consultation

9. No specific consultation on proposed fees and charges has been undertaken with Gateshead residents for 2022/23. Council services have engaged with portfolio holders on proposed changes as part of the budget setting process. Where there is a change to existing fees and charges these will be communicated to services users.

Alternative Options

10. There are no alternative options proposed.

Implications of Recommended Option

11. Resources

a. Financial Implications – The Strategic Director, Resources and Digital, confirms that the financial implications are detailed in the attached appendices and that the full financial implications of this report are included in Council's Budget and Council Tax Level 2022/23 report presented elsewhere on the agenda. The overall impact of additional income generated as a result of proposed fees and charges increases on current income is estimated at £0.394m.

b. Human Resources Implications – There are no direct human resource implications as a consequence of this report.

c. Property Implications – There are no direct property implications as a consequence of this report.

12. **Risk Management Implications** - The risks associated with the impact on demand for services have been assessed when considering increases in fees and charges.
13. **Equality and Diversity Implications** - These are reflected in the proposed fees and charges, which also consider where appropriate the individual's ability to pay. Integrated impact Assessments have been completed for any of the new or significantly increased fees and charges within the report and will be used to evaluate and take action, if necessary, to mitigate the effects of any equality and diversity implications.
14. **Crime and Disorder Implications** – There are no immediate crime and disorder implications arising from this report.
15. **Climate and Sustainability Implications** – There are no immediate sustainability implications arising from this report.
16. **Health Implications** - There are no immediate health implications arising from this report.
17. **Human Rights Implications** - There are no immediate Human Rights implications arising from this report.
18. **Ward Implications** – The recommendations apply to all Wards.