

Report to Cabinet

Report Title	Fees and Charges Policy and Schedule 2025/26
Date of Meeting	Wednesday, 22 January 2025
Report Author	Caroline May, Assistant Director Corporate & Strategic Finance
Corporate Director	Chief Financial Officer S151
Lead Cabinet Member(s)	Cabinet Member for Resources
Why is this a key decision?	1. Expenditure over £500K no 2. Significant impact on 2 or more wards yes
Wards Affected	(All Wards);
Identify exempt information and exemption category	Choose an item. N/A

Is report Urgent?	No
Reasons for urgency (<u>only</u> where applicable)	
Appendices (if any)	1. Appendix 1 - Schedule of Proposed Fees and Charges for 2025/26 2. Appendix 2 - Schedule of Fees and Charges no longer applicable 3. Appendix 3 - Fees and Charges Policy

1. Executive Summary

- 1.1 This report presents the Fees and Charges Policy and the 2025/26 Fees and Charges schedule to Cabinet for approval.

1.2 Any new fees and charges and any changes to existing fees and charges will take effect from 1st April 2025, subject to Cabinet approval.

2. Recommendations

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

2.1 **Agree the proposed discretionary fees and charges to be levied by the Council with effect from 1 April 2025, as detailed in Appendix 1.**

2.2 **Note the statutory fees and charges to be levied by the Council with effect from 1 April 2025 as detailed in Appendix 1.**

2.3 **Agree the Thurrock Council Fees and Charges Policy 2025 as attached at Appendix 3.**

2.4 **Agree that any changes to fees and charges required during the 2025/26 year are delegated to the Chief Finance Officer (s151) in consultation with the Lead Member Resources and the relevant Portfolio Holder.**

3. Commissioner's Comments

Commissioner supports the recommendations outlined in the report. However there is work to be done: commissioners seek clarity on a timeframe for completing all pending reviews outlined in the Cabinet report, notably (i) the review of commercial property fees & (ii) clarity as to when and to where the Adult Social Care charging policy and charges for care and support is being decided upon. This should be reported to the next Finance Recovery Board. The budget report to February Cabinet should make clear and transparent the revised position for the 2025/26 fees and charges. The report is silent on collection record on fees and charges, the current debt and the bad debt provision. It is important the organisation focuses on sundry and adults debt, and provides a clear and transparent report on the position. The 2025/6 budget needs to assure there is adequate bad debt provision and the quarterly reports to Cabinet need to include a clear and transparent report on debt.

4. Proposals – the rationale and evidence for the recommendations

4.1 Current Fees and Charges Budgets and Forecast

Table 1 below illustrates the November 2024 budget and forecast position.

Directorate	Budget	Period 8 Forecast	Variance
	£'000	£'000	£'000
Adult Social Care & Health	(137)	(160)	(23)
Assistant Chief Exec's Office	(108)	(122)	(14)
Children's Services	(698)	(768)	(71)
Corporate Services	(3.214)	(3.108)	106
Housing Revenue Account	(39)	(27)	12
Place	(5.587)	(5.637)	(50)
Total	(9.783)	(9.823)	(40)

4.2 Summary of Charges by Directorate

In table 1 above, the Adult Social Care and Health fees and charges are mainly related to Blue Badges and admin charges. There is a separate Adult Social Care charging policy and charges for care and support are outside the scope of this report.

The Assistant Chief Exec's Office fees and charges are related to libraries income.

Children's Services fees and charges are comprised of Grangewaters outdoor education and music services.

Corporate Services includes 319 fees making up 33% of the full schedule. Services include environmental enforcement, environmental protection, public protection, parking, registrars, electoral and legal services.

Place includes 525 fees making up 54% of the full schedule. Services includes charges for events and outdoor spaces, grounds maintenance, recreation & leisure, private housing and garage charges, bereavement services, building control, local land charges, planning, highways and transport.

4.3 Fees and Charges Policy 2025

The Local Government Act 2003 gives local authorities power to charge for goods and services under section 93: Power to charge for discretionary services. The Council is therefore able to generate additional income to support provision of services and/or reduce the overall level of expenditure to be met by local taxpayers.

4.4 The aim of this Fees and Charges Policy is to ensure that the Council makes use of the powers available to it to charge equitable (fair and impartial) fees and charges that are in line with a cost recovery principle. The power to charge for discretionary services under subsection (1) of Section 93 of the Local Government Act the is subject to a duty to secure that, taking one financial year with another, the income from charges under that subsection does not exceed the costs of provision. A summary of the aims of the policy is to:

- set a clear, flexible and equitable framework for applying fees and charges to relevant Council services
- maximise income from charges
- provide a defined processes for the setting of fees and charges
- develop standards and procedures for charging in respect of both discretionary and statutory services.
- define statutory and discretionary services
- provide a clear basis for charging decisions while also maximising opportunities for innovation.

- 4.5 Fees and charges represent an important source of income however, the balance between raising additional income through fees and charges and promoting access and usage of local services needs to be considered when setting fees and charges. Fees are set on a cost recovery basis, whereby charges levied are based on a full cost recovery principle or a contribution towards the full cost of services provided; although the principle in setting fees is cost recovery, the actual amount charged may deviate from this due to market or other discretionary factors which form part of the decision making process.
- 4.6 Fees and Charges fall within two main areas, discretionary and statutory. There are also statutory charges that can be applied within a range or where some elements are discretionary.
- Statutory Charges are charges set by statute which are fully outside the Council's control
 - Some charges are set by statute where the amount charged has to be within certain parameters
 - Discretionary charges are within the Council's control in determining the amount that should be charged.
- 4.7 For discretionary fees and charges, the fee structure will depend on the overall intention of the service area. Fees and charges should be set at appropriate levels, so that the Council is exercising its role of stewardship of public funds properly. Funding should not be foregone without good reason, to minimise the burden of funding falling to the taxpayer. Thurrock policy is to apply discretionally charges if feasible and possible to do so.
- 4.8 For statutory charges, the law requires specific or implied statutory authority for the making of charges for services. There are very many such provisions in place, some of which contain quite detailed restrictions, while others are more openly worded.
- 4.9 For discretionary services, an annual uplift will apply, which will be a % uplift based on CPI on 1 September plus an agreed %. This will be the backstop position. For any fee or charge over £15 the policy is to round up or down to the nearest £1.
- 4.10 If the standardised approach to uplifts cannot apply (for example where there are market reasons for an alternative approach) this will be picked up as part of the fees and charges setting process.
- 4.11 Methods of payment should be as flexible and convenient as possible and make best use of available payment systems and methods. Consideration should be given to payment in advance, which should be the preferred means of recovery wherever possible.

- 4.12 The Fees and Charges Policy lays out the Council's principles in relation to charging. These principles should be adhered to by all Directorates, with any deviations from the charging principles requiring appropriate approval. Such principles are reflected in any local, service-based charging policies.
- 4.13 Any charge that is implemented must be in line with the relevant legal requirements. The legal basis for implementing a fee or charge is arrived at either through a specific statutory legislation relating to the particular service, or through discretionary powers under the Localism Act 2011 or s93(1) Local Government Act 2003. Where a service specific legislation does not empower charging then Thurrock can rely on the above legislation to charge for discretionary services.
- 4.14 It is the responsibility of the services that own the fees and charges to ensure that published fees are upto date and correct. Any statutory charges that miss the annual review timeline should be updated as soon as appropriate. Any discretionary charges should be updated as soon as practicable once the relevant authority is in place.
- 4.15 Charges should be set at a level to maximise both take-up and income generation, covering the full cost of services wherever possible.
- 4.16 The Fees and Charges Policy is subject to an annual review.

5. Proposed Fees and Charges 2025/26 – Approach

- 5.1 Each service area is responsible for reviewing their fees and charges schedule annually in conjunction with the Finance Team. This results in changes to statutory charges, the removal of fees that will no longer be applicable, and the setting of the fees and charges for the coming year. During the process benchmarking data is reviewed and local market intelligence is considered.
- 5.2 As the policy approach to adopt a backstop had not yet been introduced, the approach taken during 2024/25 to setting the 2025/26 fees and charges setting has primarily followed inflationary increases based on the 2.2% consumer price index figure in July 2024. This approach has been taken alongside recommendations by services and is subject to rounding as well as being informed by benchmarking. The schedule from 2025/26 is composed of 978 fees across 44 services which are approximately 70% discretionary and 30% statutory. The average uplift across the schedule is 4.51%.

5.3 Areas of note

5.3.1 Culture, Events, Parks & Outdoor Spaces

A new pricing structure has been completed for events fees which now replaces the single price on application fee for commercial hire of parks and open spaces. Seven new fees have been introduced to the schedule ranging from small fairs to large scale events, including catering units and administrative fees.

5.3.2 All professional dog walkers licence fees have been removed due to legal and enforcement challenges. The previous fees have not been charged to date.

5.3.3 Libraries have adopted a new pricing structure for premises and meeting room hire. This now includes a more detailed breakdown of meeting rooms introducing fees for capacities of 5 to 10 people, 10 to 20 people, and 20 to 30 people. The meeting room hire follows a scaled pricing structure dependent on the hirer category and size of room. To bring all existing charges for premises hire in line some areas have decreased in pricing, such as rooms for under 5 people. Where pricing has decreased it is where these rooms had difficulty in uptake due to pricing.

5.3.4 Libraries have also increased charges for refreshments with an average increase of 10% or 5p due to high demand, and book fines have been increased by 16.67% or 5p as the next smallest increment.

5.3.5 Recreation and Leisure have removed 6 fees related to personal fitness and group fitness charges as the service identifies these are counter to initiatives around weight loss and health in Thurrock.

5.3.6 Thameside Theatre have streamlined their fees for ease of customer use and to reduce administrative time for quotation for hire. It is intended to utilise AI tools for improved customer experience and reduction in quotation and query answering time. Ticket booking fees have increased by 20p (15.38%) due to additional card payment costs, benchmarking shows the new pricing remains competitive. All other fees were increased by an inflationary amount subject to rounding.

5.4 Public Protection & Environmental Health

5.4.1 Abandoned vehicle fees have increased by 20%. These increases are outside of Thurrock's control as they are associated with a contract held with Redcorn where these fees are to remain at cost recovery.

5.5 Housing

5.5.1 The Private Housing Service is developing a selective licensing scheme under Part 3 of the Housing Act 2004 to enhance housing conditions in the Borough. If approved, landlords will be required to obtain a licence from the Council and pay a licence fee to rent out their properties legally. The licence fee will be determined based on the administrative costs of managing the scheme. The approval for these fees will be sought outside the fees and charges process and therefore will not appear in the current 2025/26 proposed schedule.

5.6 Regulatory Services

- 5.6.1 Burials has seen a decrease to several fees that required a reduction to align with market conditions and as informed by benchmarking. Notable increases are for right of burial for traditional graves and for Muslim graves which increased by £325 (14.94%). Interment in adult graves increased by £110 (12.36%).
- 5.6.2 Building Control fees overall increased by an average of 9.91% to better align with cost recovery of the service. Two fees previously owned by Local Land Charges have been moved to Building Control. A price on application fee has been removed from the schedule as it is no longer relevant due to a detailed breakdown of Building Control fees being available.

5.7 Parking

- 5.7.1 Virtual visitor permits have increased by 10p or 20% for up to 5 hours stay and 15p or 17.65% for an all day stay due to benchmarking showing Thurrock to be under comparable local authorities.
- 5.7.2 Dispensations were previously free of charge, however, are now being proposed at £15 which will be a reasonable charge to cover administrative costs in processing dispensation tickets.
- 5.7.3 Resident parking permits have been increased after benchmarking figures against other local authorities show Thurrock far below their pricing. Increases are as follows: 1st permit from £20 to £30 (50% or £10), 2nd permit from £25 to £40 (60% or £15), 3rd permit from £30 to £50 (66.67% or £20) which now better align with charging compared to other boroughs.
- 5.7.4 Permits for charitable organisations are free of charge for the first 5 permits per year and chargeable for each additional permit thereafter. The charge has increased from £10 to £15 which is a £5 or 50% increase.
- 5.7.5 Contractor permits have increased on average by 6.84% for the 1-month, 3-month, 6-month, and annual permit. An introduction of daily and weekly contractor permits has been added charged at £5 and £20 respectively.
- 5.7.6 The monthly and 6 monthly business permits have increased by 11.11% and the annual permit has increased by 2.06%. The annual increase falls in line with an inflationary increase subject to rounding, however, is lower than the monthly and 6 monthly permits to promote purchase of the annual permit.
- 5.7.7 On-street parking has increased by an average of 6.33%. Off-street has increased by an average of 6.21%.

5.8 Planning

- 5.8.1 A robust review was carried out by the service which benchmarked against other local authorities and contains significant increases. Pre-application fees

have increased to better align with costs incurred by the service and the charging of other local authorities.

5.8.2 Planning Performance Agreements (PPA) remain the same as they are charged at cost recovery. A consultation exercise is required to verify if prices require increasing.

5.8.3 All statutory fees for Planning remain unchanged for 2025/26.

5.9 Trade Waste

5.9.1 Fees have been added to the schedule for trade waste for general, garden, food, and recycling waste. For general and recycling collections, a pricing model has been adopted to vary pricing based on tonnage of each bin size. Thurrock haul a much heavier tonnage per bin on average of 113kg vs. other local authorities at 70kg. Due to this the pricing model scales to weight as is more appropriate to recovering costs incurred by the service.

5.10 Legal & Property

5.10.1 Commercial Properties: The service is currently conducting a detailed review of their fees which is being led by the Assistant Director of Property.

5.10.2 Court Protection: Thurrock do not deliver and are not involved in price setting for these fees, the capacity is only to make referrals to the courts. These fees are reviewed externally and would require continuous updating to the schedule; therefore, the full list of fees have been removed and replaced with a single fee referring to variable charges based on the "Practice Directions 19B". The service webpage on the corporate website will link to the official court directions.

5.10.3 Homeownership: Since transferring from Legal Services, four fees have been removed as they are no longer relevant to the Homeownership service and six fees have been introduced. Due to some of the homeownership fees being charged at solicitor rates, they have been reduced to reflect officer time. As a result replacement copies of insurance policy and service charge certificates have been reduced to £5 from £77 and £50 respectively which is an approximate reduction of 90%.

5.10.4 Presale enquiries / management pack and permission for alteration fees have increased by an average of 20.29% due to benchmarking.

5.11 Transportation Services and Highways

5.11.1 Highways (Rights of way/ Infrastructure/ Permits/ Licensing/ Street naming and numbering): Overall fees have increased by an average of 6.53% with two new fees introduced for "orders under section 14(1)" and "licensing for apparatus to a highway asset". Most fees were increased in line with inflationary uplifts to align with cost recovery.

5.11.2 Some notable increases included a £200 (66.67%) increase for the crane licence when not in association with construction works. "Giving notice under

section 14(2)" fee has increased by £120 (13.64%) from £880 to £1,000. Searches and enquiries have increased by £40 (36.36%) from £110 to £150. Skip licensing for skip companies has increased by £55 (122.22%) from £45 to £100 for up to 7 days.

- 5.11.3 Highways Development Management: Fees have been added for pre-application advice which will contribute toward cost recovery of officer time. These have been broken into 6 sections listed as work area.
- 5.11.4 Where possible fees have been increased by an inflationary amount, however the majority have been frozen for 2025/26 either due to statutory inability to increase or benchmarking indicators. The compiling of information fee has been changed from a case-by-case basis to £71.60 per hour for improved transparency in costs incurred.
- 5.11.5 Transport (Travel Plans): A change in approach has seen a large increase in fees which are now more aligned with other local authorities. The average increase for travel plans fees is 39.77%. A new fee is to be introduced for residential developments over 900 dwellings per annum charged on a case-by-case basis.
- 5.11.6 Transport (Road safety): Bikeability has mostly remained unchanged, however a new fee has been introduced for level 3 training for adults, and the level 3 for children has increased by £6 from £5 to £11 or 120% which more accurately reflects the costs of delivery.

6 Alternative options considered

- 6.1 Should the Council not charge for fees and charges on the basis outlined in the policy this would result in the cost for the associated services being borne by the taxpayer. Therefore, the option of not charging for these services has not been explored, although each charge is evaluated and scrutinised on an individual basis.

7 Consultation

- 7.1 Consultation will be progressed where there is a specific need. Fees and charges are known to customers before they make use of the services they are buying.

8 Financial Implications

- 8.1 Full cost recovery for chargeable services ensures that any increase in the cost of delivering chargeable services is reflected in the setting of fees and charges to avoid additional cost pressures on the council.
- 8.2 Income received from parking charges is paid into a Ring-fenced Parking Account ("RPA"), to comply with section 55(1) Road Traffic Regulation Act (RTRA) 1984. Any surplus is appropriated into the Council's General Fund at the year end.
- 8.3 The proposed changes to Fees and Charges outlined in this report and appendices have been considered in the Council's proposed 2025/26 budget.

Implications Verified by: Jasbir Kaur Sandhu (Head of Financial Strategy and Planning)

Date: 12 December 2024

9 Risk Implications

9.1 The risks associated with fees and charges are outlined in the table below:

RISK DESCRIPTION & CONSEQUENCE	MITIGATIONS	RISK STATUS
Risk of non-collection of fees and charges resulting in loss of income to the Council	Fees are collected in advance wherever possible. Where invoices are raised payment is collected promptly in line with debt collection processes and protocols.	Green
Risk that fees and charges are set at rates that are not in line with policy and therefore have adverse impacts or unintended consequences.	Policy approach should insure that fees and charges are equitable, that statutory charges are in line with regulation, and that resultant behaviours are evidenced for example when setting some regulatory fees. This is contingent on policy being consistently applied. A thorough approach in setting fees and charges is undertaken to manage this risk, with DMT sign off and Executive Director oversight.	Amber
Risk that fees and charges are not known by service users	Fees and Charges schedules are published and service users are advised of charges in advance of services commencing. Consultation	Green

	is carried out where necessary or deemed best practice.	
Risk that charges are inequitable	Equalities impact assessments are carried out in a robust manner where required, with fee levels being mindful of affordability	Green

Implications Verified by Kelly McMillan, Lead Risk Officer
Date 16 December 2024

10 Legal and Governance Implications

- 10.1 For those charges which are set by statute there is a range of legislation that governs what those charges should be, and these are set out in the proposed schedules of fees and charges at Appendix 1.
- 10.2 Section 93 of the Local Government Act 2003 (“LGA 2003”) and guidance issued in 2003 pursuant to section 96(3) of the Act, empowers the Council to charge for discretionary services related to a Council function if the recipient of the service has agreed to its provision.
- 10.2 Discretionary services are those services authorised by statute that the Council is not required to provide but may do so voluntarily (section 93(1)(a), LGA 2003).
- 10.3 However, the Council cannot charge for mandatory services or services it has a duty to provide. Further, the section 93 charging power does not apply where there is a power to charge for a particular service elsewhere in other legislation (section 93(2)(a), LGA 2003).
- 10.4 The section 93 charging power cannot be used to charge for a service if other legislation expressly excludes an authority from charging (section 93(2)(b), LGA 2003). For example, the Education Act 1944 prohibits a local authority from charging for basic education; this prevents section 93 being used to circumvent a local authority's statutory duty to provide basic education for free.
- 10.5 The Council can set the level of charge for each discretionary service. However proposed charges must have regard to the 2003 statutory guidance. [General Power Best Value \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

- 10.6 Where the introduction of new fees and charges require consultation of affected service user this needs to be undertaken prior to the proposed changes taking effect and consultation responses considered as part of the decision-making process. Also, any relevant statutory provisions must be complied with prior to the introduction of new fees and charges.
- 10.7 The Council is under a general duty to secure that, from one financial year to the next, the income from charges for services does not exceed the costs of provision (section 93(3), LGA 2003). This approach allows a local authority greater flexibility to balance their accounts over a period of time and recognises the practical difficulties for a local authority in estimating the charges for a discretionary service at the outset.
- 10.8 The Council must offset any surplus or deficit in income because of any over or under recovery of charges when setting future charges for the discretionary service. This ensures that over time the income generated by the discretionary service equates to the cost of providing the service.
- 10.9 However, the Council does not have to recover the full costs of providing the service if there are policy reasons for limiting the charges in relation to a particular user of the service e.g., to the disabled, the unemployed or those in receipt of benefit. It must be able to justify its reasons for doing so.
- 10.10 Alongside the section 93 charging power, the general power of competence for local authorities under section 1 of the Localism Act 2011 (LA 2011) also confers a power on the Council to charge individuals for discretionary services. The section 1 charging power has similar requirements of the Section 93 LGA 2003 charging power as referred to above.
- 10.11 These charging powers are not intended to provide a new income stream for the Council and cannot be used to generate a profit. It does enable the Council to recover the costs of providing services or improvements to services that it might not otherwise have been able to justify providing or been able to provide. These powers also enable the Council to spread the cost of providing an existing service or a new discretionary service.

Implications Verified by Helen Nicol Assistant Director, Legal and Governance

Date 16 December 2024

11 Equality and Diversity Implications (including the public sector equality duty)

- 11.1 The Council is responsible for promoting equality of opportunity in the provision of services and employment as set out in the Equality Act 2010 and

Public Sector Equality Duty. Decisions on setting charges and fees are subject to Community Equality Impact Assessment (CEIA) process and the Council's wider decision-making structures to determine impact on protected groups and related concessions that may be available. CEIA's are produced by each service reviewing their individual proposals.

11.2 Benchmarking has been carried out to ensure that fees and charges are in line with market conditions.

Implications Verified by Natalie Smith, Head of Community Development
Date 12 December 2024

12 Background Documents

None

Relevance Check**Budget Reduction/Service Area:****Service Lead****Date:**

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

N/A

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

N/A

Is a Customer Impact Assessment needed? No