

**Teignbridge District Council
Executive
12 September 2023
Part i**

MID YEAR REVIEW OF FEES AND CHARGES

Purpose of Report

To review and update the fees and charges list approved at the February 2023 budget meeting to assist in addressing the budget gap and further adverse variations predicted and high levels of inflationary costs being incurred.

Recommendation(s)

The Executive Committee **RESOLVES** to:

- (1) Recommend that Full Council approves the revised fees and charges listing to be implemented with effect from 1 October 2023 (car parking with effect from 1 November 2023)**

Financial Implications

The financial implications are contained within the report. The main implication is that the mid year increase in fees and charges will provide the Council with additional income this financial year of £145,470 and ongoing an increase of £346,050 per annum. The full year ongoing increase represents an increase of 3.1% overall.

Martin Flitcroft – Chief Finance Officer
Tel: 01626 215246 Email: martin.flitcroft@teignbridge.gov.uk

Legal Implications

There are no specific legal implications arising from this report. Any necessary statutory duties e.g., advertisement of relevant fees will be carried out accordingly. See section 5.

Paul Woodhead – Head of Legal Services & Monitoring Officer
Tel: 01626 215139 Email: paul.woodhead@teignbridge.gov.uk

Risk Assessment

Risks are identified in section 5. The major risk to be aware of is the sensitivities around changes to charges on demand and net income received.

Martin Flitcroft – Chief Finance Officer
Tel: 01626 215246 Email: martin.flitcroft@teignbridge.gov.uk

Environmental/ Climate Change Implications

There are no environmental or climate change impacts arising from this report.

David Eaton – Environmental Protection Manager
Tel: 01626 215064 Email: david.eaton@teignbridge.gov.uk

Report Author

Martin Flitcroft – Chief Finance Officer
Tel: 01626 215246 Email: martin.flitcroft@teignbridge.gov.uk

Executive Member

Councillor Richard Keeling – Executive Member for Resources

Appendices/Background Papers

Appendix 1 – Proposed fees and charges summary of income
Appendix 2 – Detailed listing of fees and charges proposed

1. PURPOSE

- To review the fees and charges listing to generate additional income to address the ongoing and increasing budget pressures arising from inflationary costs to deliver services.

2. SUMMARY

- 2.1 The full listing of fees and charges was reviewed and updated as part of the February 2023 budget papers for 2023/24 financial year. It has become clear that since the budget was approved a likely pay rise for employees for 2023/24 is going to be significantly higher than was assumed in the medium term financial plan (MTFP). We have also seen reductions in income from recycling sales as the unit price has dropped. These adverse variances were identified as part of the financial report to Executive in July. In addition inflation has generally been higher than anticipated and is causing greater pressure to all elements of council spend on the associated services to which the fees and charges apply.
- 2.2 The MTFP also identifies large budget gaps arising in future years which need to be addressed. These principally arise due to planned redistribution in funding for business rates and loss of New Homes Bonus. Further modifications will need to be made to address other issues being worked through including leasing costs for a new refuse vehicle fleet.

2.3 Fees and charges in all areas have been revisited. Some have not been impacted as they are prescribed by legislation and so changes at this time remain unaltered. Others have remained the same to encourage further recovery in numbers e.g., leisure memberships. The detailed listing of proposed charges can be found at: <https://www.teignbridge.gov.uk/council-and-democracy/finance/fees-and-charges/> where the existing charges are also documented. The full listing of proposed charges are also listed in detail at Appendix 2.

Other charges of note which have not changed are:

Seasonal beach huts and boat storage – these are annual agreements so can't be altered.

Shaldon golf – not competitive with other facilities so prices not increased.

Retail market – whilst the proposed changes in the town centre of Newton Abbot are under review and the retail market looks to recover its occupancy, it is recommended that these charges remain the same for the rest of 2023/24.

Planning – no suggested increases due to legislative requirements or because of significant increases that were already made from 2022/23 to 2023/24.

Street naming and numbering fees are agreed in conjunction with East Devon District Council and Exeter City Council so would need buy in from the other two Councils.

Land charges fees are broadly in line with the fees charged by our neighbouring authorities so represent the average. They were subject to a 10% increase in April 2023. The commercial nature of the work is sensitive to market forces.

Cemeteries – exclusive right burial fees were increased by 25% since 2022/23 so no mid year increase proposed. Use of cemetery chapel (Newton Abbot and Dawlish) – again no increase as we are in competition with Funeral Directors who have their own chapels so we need to remain competitive.

Taxi licensing – not considered appropriate at this point as the original decision was to keep our prices in line with neighbouring authorities.

Building control – charges were increased significantly last year and are currently competitive with others. The situation will be monitored but no increases suggested for now.

Other licensing fees are set by legislation so unable to be increased at this time.

3. PROCESS

- 3.1** The MTFP has assumptions about the level of fees and charges we will receive and considers likely variations based on consumer demand, the economy and other external factors. In reviewing the charges in each area consideration has taken into account competitors, recent significant increases if appropriate, demand sensitivities, other economic indicators and local factors etc.
- 3.2** Traditionally fees and charges have been reviewed and updated annually as part of the budget process as approved in February each year. The exercise undertaken here is to do a mid year review and implementation in October/November 2023 prior to a further update of the charges for 1 April 2024 as part of the annual budget process.

4. FINANCIAL

- 4.1** The financial impacts are summarized in appendix 1. This shows an anticipated additional gross income in 2023/24 of £145,470 (less costs of implementation of £36,000 for parking orders, software updates etc) providing a net income of £109,470 in 2023/24 and ongoing in future years of £346,050. The additional income in the current year is not so significant as the anticipated full year sum as a large element of seasonal car parking monies have already been received, the garden waste service renewal is from 1 September and there are other services where the subscription is paid in advance for the year.

5. LEGAL

Regular budget monitoring is required by the Council's Constitution and Financial Rules. Any necessary statutory advertisements and notifications in relation to changes in fees and charges will be carried out accordingly.

6. RISKS

The major risks in changing charges is the impact on income and demand. These possible changes are mitigated by understanding what the potential sensitivities are in each area of activity. Consideration also needs to be taken of where we are in competition with other providers and their pricing structure. With this in mind certain charges have not been increased. Some of these have been listed in 2.3 above.

7. ENVIRONMENTAL/CLIMATE CHANGE IMPACT

There are no environmental/climate change implications.

8. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

10.00 a.m. on 19 September 2023

Appendix 1