



REPORT FOR: CABINET

Date of Meeting: 24 January 2024

Subject: Fees & Charges 2024/25

Key Decision: Yes

Responsible Officer: Sharon Daniels, Interim Director of Finance and Assurance

Portfolio Holder: Councillor David Ashton - Portfolio Holder for Finance and Human Resources

Exempt: No

Decision subject to Call-in: Yes

Wards affected: All Wards

Enclosures: Appendix 1: Harrow Charging Policy
Fees & Charges schedules for Directorates;
Appendix 2: Place
Appendix 3: Managing Director / Resources
Appendix 4: Peoples (Adults and Children Services)

Section 1 – Summary and Recommendations

This report sets out the Council's proposed Fees & Charges for the financial year 2024/25.

Recommendations: That

1. the implementation of the Fees & Charges from April 2024 (Appendices 2 to 4), except those fees and charges marked 'Statutory prescribed' or 'for noting only – non-Cabinet approval' be agreed.
2. Delegated authority be given to the Director of Finance and Assurance, to amend fees and charges in year and agree new fees and charges, following consultation with relevant Corporate Director(s) and approval of relevant Portfolio Holders.

Reason: (For recommendation)

To ensure the Council sets a schedule of fees and charges for 2024/25.

Section 2 – Report

Introduction

- 1) This report sets out the Fees & Charges that are proposed to be applied to services for the year 2024/25. This report asks Cabinet to delegate authority to the Director of Finance and Assurance, to amend fees and charges in year, in consultation with relevant Corporate Directors and the relevant Portfolio Holders.
- 2) Fees and charges generate significant income for the Council each year and provide significant funding support to the provision of those services that are charged for. Charges are set broadly within the framework of the Medium-Term Financial Strategy ("MTFS"), the Charging Policy and in accordance with legislative requirements.
- 3) This report provides the charging details of Council services. The policy background to charging, (the Councils Charging Policy), is included at Appendix 1.

Options Considered

- 4) The Financial Regulations in the Council's Constitution state that Directors are responsible for ensuring that there is, as a minimum, an annual review of fees and charges (for the forthcoming financial year) and an in depth one on a three-year rolling basis. Therefore, the Council's only option is to review and set its charges for implementation for each year and seek to recover its costs. There are no alternative options.

Background to Fees & Charges

- 5) Harrow Council receives income through a wide variety of sources that are summarised as the following:
 - Grants from Central Government & other sources
 - Council Tax and National Non-Domestic Rates
 - Fees & Charges
- 6) Councils are involved in a wide range of services and the ability to charge for some of these services has always been a key funding source to support the cost of providing the service.
- 7) The Council provides both statutory and discretionary chargeable services. Where fees and charges apply to statutory services these are often set nationally, for example some planning and licensing fees. The majority of statutory services, Building Control being a notable exception, are not funded directly from fees and charges but instead from the Council's other main sources of revenue, i.e. government grants and local taxation. Examples of services funded in this way include Highways, Children's Services, Street Cleansing and Domestic Refuse services.
- 8) There may be circumstances where the charge is set for reasons such as, for example, where the Council wishes to manage demand, or deter or incentivise certain behaviours such as encouraging re-cycling, discouraging trade use of civic amenity waste sites etc.
- 9) The remaining chargeable services where the Council levies fees and charges are of a discretionary nature. These cover a wide range of services such as Libraries, Commercial Waste, Leisure & Recreation facilities, and Parking. Discretionary Services are those that an authority has the power to provide but is not obliged to. This report includes recommendations for the appropriate level of fees and charges for 2024/25 for these types of services.
- 10) The Council has an agreed Charging Policy (Appendix 1) that provides guidance for budget holders in how to set fees, and guidance for members in how to ensure that effective charging strategies are in place.

Charging Policy

- 11) The policy framework (Appendix 1) aims to encourage a consistent and cost-effective approach to the setting of charges for services provided by Harrow Council by:
 - Specifying the process and frequency for reviewing existing charges for all areas of the council's work for which charges could in principle be set
 - Providing guidance on the factors that need to be taken into consideration when charges are being reviewed
 - Requiring more active use of market intelligence when setting charges
 - Establishing parameters for calculating different levels of charges

- Recommending the criteria for applying concessions or discounted charges consistently across the council

Medium Term Financial Strategy 2024/25

12) The Charging Policy provides guidance on the factors to consider when reviewing charges. Where possible, and consistent with the Council's service priorities, charges are increased to ensure a move towards full cost recovery. The general practice in the past was to increase fees and charges by a % to cover the September Retail Price Index (RPI) increase and an additional 1 to 2% towards full cost recovery. However, the September 2022 RPI was exceptionally high at 12.6%, Similarly, the September 2023 RPI was still considerably high at 8.9%. Given the current economic climate and challenges already faced by residents, the proposed increase is 7% (rounded up or down as appropriate) which is less than September RPI.

Summary of Proposed Changes

Place Directorate (Appendix 2)

13) The 2024/25 proposed fees and charges for the Place Directorate are detailed in Appendix 2. In general, discretionary charges have been increased by 7%, with suitable rounding, which is in line with the corporate guidance. Within the schedule, there are a number of fees and charges which are for noting by Cabinet as they relate to non-executive functions in licencing and therefore require Council approval in a separate report.

14) The Directorate has undertaken a review of its fees and charges. Where fees are not increased in accordance with the inflationary guide, they are set out and explained below:

Fees that remain unchanged or are changed by lower than the inflationary uplift or are reduced are:

15) Cemetery fees (charges 15 and 16) - All resident charges relating to child burials (12 years old or under) are to continue to be free of charge, to support families during one of the most traumatic events a family can face and reduce the burden families face during such a difficult time.

16) Memorial seats on the Highway open spaces (charge 27). There is not a set price as the charge is subject to suppliers' costs. The Council seeks to recover full costs plus 10% for administrative fee, which is the same as 2023/24.

17) Garden waste collection (charge 31) – the annual full rate charge is proposed to increase from £65.00 to £69.00 (concessionary rate from £32.50 to £34.50) to reflect the increase in collection costs. Benchmarking data shows that our charges are lower than other boroughs such as Ealing (annual: £90.40; concession: £54.90) and Enfield (annual: £80.00). The proposed annual full rate charge is still cheaper than that prior to 2023/24. Since the simplification of the collection scheme by the current Administration in 2023/24, efficiencies have been achieved to enable the charge to be kept as low as possible.

- 18) Local authority pollution (charge 55) – the charges are the same as 2023/24. The fees are set by DEFRA which have remained the same for 2024/25.
- 19) Harrow Museum and Great Barn (charge 95a) – Education activities (onsite school sessions and holiday activity) are aligned with benchmarking analysis against similar organisations in other boroughs. As a result, the charge for onsite school sessions is increased by 4%, while holiday activities and Tuesday Afternoon Talks prices are kept at 2023/24 level.
- 20) Harrow Arts Centre (charge 95b) – the hire charges for large or small room, dance studio, and Hatch End Suite are increased by 5% following benchmarking to remain competitive.
- 21) Housing Adaptations - Home Improvement Agency fee (charge 100) – Fees for specialised adaptations for disabled persons in both private and Council owned accommodation remain unchanged at 21% and are considered a fair estimate of the specialised nature of the professional services associated with these works.

Fees that are proposed to increase above the inflationary guidelines:

- 22) Confidential Waste (charge 33e) - Following a benchmarking exercise, the charges for both external businesses and schools are standardised to simplify pricing for all customers, resulting in increases of 20% - 52%.
- 23) A thorough review has been undertaken on all the fees and charges in Parking Services, having taken into account the inflation, staffing cost recovery and benchmarking against the fees in neighbouring boroughs. As a result, increases are proposed for the following items.
- On street parking permits for residents, visitors and businesses (charges 37c,37d,37f) – charges to be increased by 10%.
 - Parking permits for contractors (charge 37h) – daily and weekly charges to be increased by 10%; monthly charges to be increased by 65% which is more aligned with the other rates but still represent value for money for permits with a longer duration of validity.
 - Off street parking permits for businesses (charge 37e) – charges to be increased by 15% to 17%.
 - Off street parking charges (charge 37b) – The first 1 hour free parking will continue to be in place as currently. The per hour charge (Monday – Saturday 8am to 6:30pm; Sunday 10am to 6pm) at Grimsdyke Road, Kenton Lane, Kingshill Drive, Whitchurch Playing Fields and Brigade Close car parks is harmonised to £1.00 per hour.
 - Suspension of parking spaces due to works taking place (charge 38) – charges to be increased by 10% to 34%.
- 24) Photocopying fee for environmental information (charge 47) is proposed to increase by 43% to move towards full cost recovery.
- 25) Harrow Music Service - Whole class instrumental teaching programme (charge 96b) – charges to be increased by 10%. The increased charge will now include a basic charge for instrument provision.

26) Pre-Applications (charge 123) - Following a benchmarking review, charges have been increased for major works Category C by 23%, and minor works Category E by 39%, Category F by 60% and Category G by 92%. This will make the pre-application charges more in line with other boroughs.

Introduction of new fees or new categories to fees:

27) Trade Waste (charge 33) – an annual charge for Waste Transfer Note is introduced to help cover the administration costs of producing the document, ensuring it is completed correctly and stored for the stipulated three year period.

28) The outcome of the Parking review has proposed a change in the pricing structure and the introduction of new parking charges. These proposed charges have taken into account the inflation, staffing cost recovery and benchmarking against the fees in neighbouring boroughs.

- On street parking charges (charges 37a) – The first 1 hour free parking will continue to be in place as currently. The tariffs are proposed to be changed from per 20 minutes to per one hour. Parking fees would then go up in 60-minute increments.
- On street parking charges (charge 37a) – The first 1 hour free parking will continue to be in place as currently. New charges are introduced to provide per 60 minutes up to 4 hours at **Marlborough Hill, Sandridge Close, and Brooke Avenue**. Currently the charges are for long stay only, therefore the proposal provides more choices to motorists.
- On street parking charges (charge 37a) – The first 1 hour free parking will continue to be in place as currently. Parking over 6 hours is extended to locations at **Sherwood Road and Stanley Road**.
- Off street parking charges (charge 37b) - The first 1 hour free parking will continue to be in place as currently. New charges are being introduced for long stay parking during the following time periods.

Davy House Car Park and Greenhill Way Car Park:

Monday – Sunday: Hourly rate to be introduced at all times. New 24 hour tariff at £15.00

Grimsdyke Road Car Park:

Monday – Saturday: 8am – 6:30pm Long stay per visit (over 5 hours)

Palmerston Road Car Park:

Monday – Saturday: 6:30pm to Midnight; Sunday: 6pm to Midnight

Sunday: 10am – 6pm New hourly rate to be introduced

Peel House Multistorey Car Park:

Monday – Saturday: 7:30am to 8pm Long stay per visit (over 6 hours)

Sunday: 10am to 6pm Hourly rate or Long Stay per visit (over 2 hours); charges are applicable only if the car park is open on Sunday

Cambridge Road Car Park:

Saturday: 8am to 6:30pm Hourly rate or Long Stay per visit (over 3 hours)

Chapel Lane Car Park:

Monday – Saturday: 8am to 6.30pm Long stay per visit (all day)

Kenton Lane and Kingshill Drive Car Parks (Belmont Circle):

Monday – Saturday: 8am – 6:30pm Long stay per visit (over 5 hours)

Whitechurch Playing Fields, Stanmore Marsh:

Monday – Friday School staff all day

Harrow Leisure Centre Car Park:

Event parking up to 8 hours, over 8 hours, and reserved bay all day

- Off street business permits (charge 37e) – business permit charges (3 months / 6 months / Annual) are introduced at Grimsdyke Road, Kingshill Drive, Kenton Lane and Whitechurch Lane car parks.

29) Housing of multiple occupation (HMO) and Selective Licensing applications (charge 78) – proposal to introduce new fees and charges which will enable staffing and operational costs to be recovered.

- Fees associated with an aborted visit
- Licence administration charge for failure to pay second fee within 5 working days of a request

30) Great Barn (charge 95a) – a new charge is introduced for wedding ceremony (only applicable alongside venue hire booking).

31) Great Barn venue hire (charge 95a) – new fees are introduced for conferences which will be available to external organisations when the venue is not used for wedding. These will enable staffing and other operational costs to be recovered. Discounts will be available for community and charitable events.

32) Contaminated land enquiry (charge 109a) – new charge to reflect new legislative requirements.

33) Pavement licence (charge 21) – pavement licence renewal charge is added.

34) Administration and monitoring of S106 agreements (charges 121) – Due to statutory requirements, new charges are added for Biodiversity net gain (BNG) and on-site monitoring.

35) Environmental information (charge 130) – a new fee is introduced for copies of tree preservation orders. This will contribute towards the recovery of administrative costs.

Managing Director / Resources Directorate (Appendix 3)

- 36) The proposed fees and charges for 2024/25 for the Managing Director / Resources Directorate are detailed in Appendix 3.
- 37) Helpline and Telecare (charge 2) - The 2024/25 charges have not been increased in order for the pricing to remain competitive with other service providers in the marketplace who provide this service to vulnerable residents in the Community.
- 38) Local Land Charges (charge 4) – The charges have been increased by 3% to 33% where appropriate to bring them in line with benchmarking information from other neighbouring authorities.
- 39) Registration Services (charge 5) – this covers citizenship ceremonies and marriage & civil partnerships charges. The charges have been increased by between 2.5% and 43% where appropriate to bring them in line with benchmarking information from other neighbouring authorities.

People's Directorate (Appendix 4)

- 40) The proposed fees and charges for 2024/25 for the Peoples Directorate is detailed in Appendix 4. The schedule covers Adults services and Children and Families.
- 41) The Care Act 2014 introduced a single legal framework for charging for care and support (section 14-17), including discretion as to whether or not to charge. Where a local authority arranges care and support to meet a service user's needs, it may charge the adult, except where the local authority is required to arrange care and support free of charge, i.e for reablement. The principle is that service users should only be required to pay what they can afford, and all service users who are eligible to receive chargeable services are required to go through a financial assessment process to determine their ability to pay.
- 42) Given the increased costs of providing assessed adult social care support, and that the actual contributions towards charges are based on the financially assessed contribution, full cost recovery of costs is sought from those in a position to pay fully for their care. The proposed discretionary charges for adult social care reflect the required percentage to enable full cost recovery with the increases reflecting inflationary cost pressures which include staff costs and the anticipated 2024-25 pay award which will be agreed during the next financial year.
- 43) Charges for day care services (charge 1) indicate in the main an above inflationary increase which reflects in the main the increased cost of utilities and the staff pay award (actual for 2023-24 and estimated for 2024-25).
- 44) Charges for Bedford House (charge 2) will need to be updated once CQC has agreed the deregistration of this service and the costings for the new services finalised. There will be two charges from 1st April 2024 – one for the residential setting (12 beds) and one for the supported living setting (10 beds) which will be updated and agreed by 31st March 2024 under the delegated authority included in this report.
- 45) Charges in relation to the management of client finances under Court of Protection (charge 4) are prescribed up to a maximum amount by the Office of the Public Guardian.

- 46) The Council's Deferred Payments Policy (charge 6) seeks to fully recover costs by way of administration charges, however, it cannot make a profit. The majority of the charges are estimates as legal costs will vary on a case-by-case basis and the figure noted is an estimate of the likely charge, although the actual costs will be invoiced. The valuation fee is reviewed annually in line with staffing costs and the annual management fee is linked to the Office of the Public Guardian rates.
- 47) Charges for arranging care for self-funders (charge 7) – the Care Act 2014 enables councils to fully recover costs for services to self-funders and these prices are set accordingly.
- 48) The fees and charges for the Children & Families Service are proposed to increase by approximately 7% to move towards full cost recovery, rounded where appropriate.

Performance Issues

- 49) Income forms part of the monthly monitoring report which is sent to the Corporate Leadership Team and the quarterly monitoring report to Cabinet. Any specific changes to fees and charges as part of the MTFS will be monitored through the monthly savings tracker which is also updated in the budget monitoring process.

Environmental Implications

- 50) There are no material environmental impacts from the development and implementation of Fees & Charges and the changes detailed in the schedules to this report.
- 51) Any significant changes to the method of delivering services will be subject to an options appraisal, a part of which will be to assess any environmental consequences of the proposed changes.

Risk Management Implications

- 52) Risks included on corporate or directorate risk register? **No**
- 53) Separate risk register in place? **No**
- 54) The relevant risks contained in the register are attached/summarised below. **n/a**
- 55) The following key risks should be taken onto account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
Increase in charges have an adverse effect on demand for the service	<ul style="list-style-type: none"> ▪ The impact of an increase having an adverse effect on demand is fully 	GREEN

	<p>considered when deciding on the level of the increase.</p> <ul style="list-style-type: none"> ▪ Charges do not always increase and can be frozen at the prior year level or even reduced. ▪ Fees and charges will be monitored through the Council's various relevant performance indicators and the monthly budget monitoring process. 	
Adverse impact on Council's budget of not setting charges to fully recover costs	<ul style="list-style-type: none"> ▪ The income from fees and charges is factored into the Council's budget setting process and therefore the fact that most charges do not fully recover costs is already factored into the budget. ▪ As per para 12 where possible, and consistent with the Council's service priorities, it is proposed to increase charges to move towards full cost recovery. 	GREEN
Powers to charge are exceeded	<ul style="list-style-type: none"> ▪ When new charges are set, the service will set the charge at a level to either recover costs or for the charge to be subsidized and therefore it is set at a level where costs are not over recovered. ▪ Where fees and charges exceeded the cost of providing the service, the service budget would be a net income budget and not a net cost budget which would be adjusted accordingly in the following year. 	GREEN

Legal Implications: Powers to Charge

56) Local authorities have a variety of powers to charge for specific statutory services set out in statute.

57) The Local Government Act 2003 also provides a power to trade and a power to charge for discretionary services, the latter on a cost recovery basis. The power to charge for discretionary services is not available to local authorities if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.

58) Additionally, the Localism Act 2011 provides local authorities with a general power of competence that confers on them the power to charge for services but again subject to conditions/limitations similar to those noted above.

- 59) Where authorities have a duty to provide a statutory service free of charge to a certain standard, no charge can be made for delivery to that standard, however delivery beyond that point may constitute a discretionary service for which a charge could be made.
- 60) All items/services listed in the Appendices are pursuant to a power to provide the relevant service whether it is provided because of a statutory obligation to do so, or on a discretionary basis where the authority is not obliged to provide the service but can choose to do so. In relation to the latter, an authority charging for such services would do so on a cost recovery basis, pursuant to the Local Government Act 2003/Localism Act 2011.
- 61) In the Appendices to this report, the column titled 'Basis for charging' indicates whether the fee stated is prescribed by statute (as a set amount or up to an amount) in which case it is noted as 'statutory prescribed' or 'statutory discretionary' where legislation provides that you may charge for providing a service but the amount of the charge is discretionary, within the remit of the legislation e.g. the charge may be limited to cost recovery, reasonable cost or based on consideration of prescribed matters, or as 'discretionary' which is where the authority is not obliged to provide the service but if it does so then the charges are based on cost recovery pursuant to the statutory power to charge in Local Government Act 2003/Localism Act 2011.
- 62) Pursuant to Part 4K of the Council's Constitution (Financial Regulations) the Council's fees & charges policy is to be presented to Cabinet in January each year.

Financial Implications

- 63) The increase in fees and charges income will either have been included in the budget as an MTFS saving or be used to offset the operational costs of the service, for example, the inflationary increases in running costs.

Procurement Implications

- 64) There are no Procurement implications arising from this report.

Equalities implications / Public Sector Equality Duty

- 65) Section 149 of the Equalities Act 2010 created the public sector equality duty. Section 149 states that:
- 66) A public authority must, in the exercise of its functions, have due regard to the need to:
- I. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - II. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

- III. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 67) The relevant protected characteristics are age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sex and sexual orientation.
- 68) When making decisions in relation to service provision, the Council must take account of the equality duty and in particular any potential impact on protected groups. Each proposal has been prepared in accordance with the Council's charging policy regarding fees and charges.
- 69) Some charges will not increase in 2024/25 and some may be reduced. In others, the level of charge is set by Government and not within the Council's control.
- 70) Many of the charges where increases are proposed relate to discretionary services such as hiring playing fields and rooms at the arts centre and would not be considered as essential goods that would contribute to a calculation of increases in the cost of living. It is not possible to calculate the percentage increase across the board as this would depend on the number of times each service was accessed. A number of the charges are being increased by 7%, reflecting that most services do not currently recover their full costs. This is in the context of inflation as measured by the Retail Price Index being 8.9% as at September 2023. The difference in most cases represents a small movement towards full cost recovery.

Council Priorities

- 71) This report deals with setting the Council's fees and charges for the financial year 2024/25, from 1st April 2024. The Council's priorities are set out below:
- A council that puts residents first
 - A borough that is clean and safe
 - A place where those in need are supported.
- 72) Income raised helps provide the financial resources to cover costs and develop services, while the way the charges are set impacts on the users of services, particularly vulnerable people and families. The concessions available are an important element of the overall charging regime.

Section 3 - Statutory Officer Clearance

Statutory Officer: Sharon Daniels

Signed by the Chief Financial Officer

Date: 8 January 2024

Statutory Officer: Baljeet Virdee

Signed on behalf of the Monitoring Officer

Date: 22 December 2023

Chief Officer: Alex Dewsnap

Signed by the Managing Director

Date: 8 January 2024

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 3 January 2024

Head of Internal Audit: Neale Burns

Signed on behalf of the Head of Internal Audit

Date: 20 December 2023

Has the Portfolio Holder(s) been consulted? Yes

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqIA carried out: No

EqIA cleared by: N/A

Section 4 - Contact Details and Background Papers

Contact: Jessie Man, Interim Head of Strategic and Technical Finance
(Deputy S151)

Email: jessie.man@harrow.gov.uk

Background Papers: None

**Call-in waived by the Chair of Overview and Scrutiny
Committee: NO**