



**Report to: Income Generation Sub-Committee, 28<sup>th</sup> January 2021**

**Report of: Head of Finance**

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**Subject: PROPOSED FEES AND CHARGES 2021/22**

**1. Recommendation**

**1.1 That the Committee review the proposed schedule of Fees and Charges for 2021/22 and recommend its approval to the Policy and Resources Committee on 9 February 2021 for ultimate approval by Full Council on 23 February 2021.**

**2. Background**

- 2.1 The Council issues an annual schedule of the Fees and Charges levied by each of its services.
- 2.2 The existing charges have been reviewed by the relevant service and adjusted to reflect changes in the cost of providing the service. Where appropriate and feasible, a comparison has also been made to the amount charged by local competitors to ensure that the Council is providing a service which is competitively priced and represents good value.
- 2.3 A separate report regarding Leisure Fees and Charges was submitted to the Communities Committee meeting of 28 October 2020, followed by the Income Generation Sub Committee meeting of 5 November 2020 as the business cycle for these charges requires changes from 1 January, rather than 1 April. Council approved the proposed changes on 17 November 2020.

**3. Preferred Option**

- 3.1 The proposed schedule of Fees and Charges is set out in **Appendix 1**, which shows the existing and proposed charge with the consequent increase or decrease as a value and as a percentage. Owing to commercial sensitivity the proposed Fees and Charges for Trade Waste and Building Control are classed as exempt items and are shown at **Appendix 2**. *(note – Trade Waste charges are outstanding at present pending the publication of the new cost of waste disposal which is expected in January. It should be available for the final report to Policy and Resources Committee in February).*
- 3.2 The review of the Fees and Charges has been carried out with an assumption that inflation is at 1%. The publication of the CPI for October showed an annual increase of 0.7%.

- 3.3 The basis of the review is for the full cost recovery of the service and a market analysis of prices charged by other providers. Any change will be to the next most appropriate price point rather than by a specific percentage.
- 3.4 The following Fees and Charges are proposed to increase by an average of 1% and in some specific cases, individual fees by a greater amount, as follows:
- Football pitch hire
  - Fishing permits/moorings
  - Development Management pre application fees
  - Guildhall room hire
  - Street naming and numbering
  - Archaeology
  - HMO licences/enforcement administration
  - Court Fees for Council Tax and NNDR
  - Weddings both at Commandery and Guildhall
  - Land charges
- 3.5 The following Fees and Charges have been maintained at the same level as 2020/21:
- Regulatory Services licencing
  - Sales of the Electoral Register
  - High hedges
  - Housing - City Life lettings
  - Garden waste collection
  - Car parking charges
  - PCN's
  - Traffic management
  - Environmental Enforcement fixed penalties
  - Housing – civil penalty charges set by policy and statute
- 3.6 Fees for planning applications are set nationally and they have not been increased since the 20% increase on 17 January 2018 except for pre application fees which will increase by 1%.
- 3.7 Building Control fees have been increased by 3% by the shared service to cover the pay increase and other additional increased costs. These are detailed in the exempt **Appendix 2**.
- 3.8 Worcester City Lettings have introduced a new service for Private Sector Leasing charging a 12% fee to landlords to manage their properties.
- 3.9 Allotments charges have increased by 3.2% as agreed with the Allotment Forum.
- 3.10 The tennis court hire at Gheluvelt Park is now under Freedom Leisure management and the related court fees therefore form part of their Fees and Charges which are approved in the autumn, see para 2.3.
- 3.11 Under a review of the hire of the building at Gheluvelt Park a reduction of 25% from £40 to £30 per hour and 6.5% on the day rate from £155 to £145 has been applied as an incentive to increase the currently low number of bookings. Conversely the Cripplegate building charge has been increased from £10 to £20 per hour and from £70 to £80 per day to more accurately reflect the cost of operation.

- 3.12 In Regulatory Services the fees and charges proposed for Vehicle and Operator Licences are subject to consultation and consideration of objections by the Licencing Committee on 7 December 2020.
- 3.13 There has been an increase on the stray dog repeat offender penalty charge by 33.3% to be consistent with the rest of Worcestershire and an incentive to microchip the dog and reduce costs to the Council by encouraging dog owners to maintain control of their dog.
- 3.14 The charges for the Museum and Art Gallery and Commandery were reviewed and approved by the Joint Museums Services Committee at the meeting on 21 September 2020. The charges are largely unchanged for 2021/22. The notable exceptions are;
- the wedding packages at the Commandery have increased by 1% in line with the Guildhall;
  - the group visits minimum evening charge has increased by 36.4% to align it with the County museum charges at Hartlebury;
  - a new family pass has been introduced at both the Commandery and Museum and Art Gallery in line with the County museum;
  - admission charges have increased between 7-17% at the Commandery following no increase last year.
- 3.15 Garden Waste collection charges are to remain the same as 2020/21 as current charges are already high in comparison to neighbouring authorities. However, a 2% increase has been applied for customers who pay by invoice to encourage them to move to direct debt payment.
- 3.16 The charges for Bulky Waste collections have been combined and, in some cases, reduced. The 50% price reductions applied through the pandemic resulted in a sharp uptake by residents and an increase in total income. The 2021/22 prices acknowledge this but add back half of this reduction to ensure full cost recovery. A new charge of £5.20 has been introduced for single small metallic items, e.g. bicycles, barbecues, microwaves etc.
- 3.17 Bereavement service charges are to be increased by an average 1%. New charges have been introduced as follows:
- the provision of an existing shrub/tree in either Astwood/St Johns cemetery along with a marker engraved plaque for a ten-year lease
  - the provision of a wooden cross;
  - a new memorial tree leaf and engraving for a ten-year lease;
  - the annual upkeep of a single grave;
  - a stepping stone lease in a natural burial area for a one-year lease.
- 3.18 The web-cast service charge has been removed as it has been free since the start of the pandemic and there has been positive feedback from funeral directors.
- 3.19 The ten-year lease for a new shrub/tree has been frozen as the charge is already high against the competitors.
- 3.20 The memorial charges have been revised individually and priced to remain competitive.

- 3.21 The late amendment to music charge has been removed.
- 3.22 The non-resident surcharge for the adult grave and interment of cremated remains have been removed as it is no longer considered appropriate to deter business from outside the city.
- 3.23 The adult cremation charge is to remain the same. The current comparison to other local crematoria is that the charge is approximately 15% lower than most other Midlands based crematoria and 3% lower than the crematorium at Fladbury. This will provide improved value for money. It is also important to note that the other crematoria include the disposal of cremated remains or loose burial in their charges whilst Worcester City currently charge an additional £60. From 2021/22 this is to be part of the main cremation fee.
- 3.24 No increase in the council's car parking charges are proposed for 2021/22.
- 3.25 In traffic management the charge for essential attendance permits has been removed to support community recovery strategy.
- 3.26 Traffic management also includes the new option of on-street parking dispensation for just 1 day as opposed to paying for a full week. The weekly charge is £55.00 and the new daily charge will be £10.00.
- 3.27 New charges have been introduced for fixed penalty notices for Public Space Protection Order (PSPO) offences in line with supporting the new PSPO.

#### **4. Alternative Options Considered**

- 4.1 The alternative option is to not change the existing schedule of Fees and Charges. However, this would result in potentially not achieving full cost recovery in some services and for the services to cease to be competitive in the market.

#### **5. Implications**

##### 5.1 Financial and Budgetary Implications

The financial impact of the changes proposed is an increase in budgeted income of £0.05m which is reflected in the MTFP for 21/22 and is only a 0.5% increase on total income of £8.5m. This is due to the single largest revenue stream, car parking, and also Garden Waste collection, being subject to nil increases. There are several other revenue streams with fees that are statutory and are also nil increases e.g. planning applications and gaming licences. By contrast the Council's expenditure is increasing by a greater amount. Employment costs represent over 50% of total expenditure and are projected to increase by 2% per annum. The net effect of expenditure rising faster than income is the increasing deficit in the MTFP.

##### 5.2 Legal and Governance Implications

None

##### 5.3 Risk Implications

The risk of losing income from increased fees and charges has been mitigated by a review of market conditions to ensure the proposed change is appropriate.

##### 5.4 Corporate/Policy Implications

None

5.5 Equality Implications

As part of the reviewing the various Fees and Charges, each Service has considered the equality implications of the proposed changes included in this report.

5.6 Human Resources Implications

None

5.7 Health and Safety Implications

None

5.8 Social, Environmental and Economic implications

Proposed increases in fees are in line with inflation and therefore should have zero impact in respect of maintaining access to services. In specific cases the reasons for changes outside of an inflation increase are given and the social, environmental and economic implications have been considered as part of the decision to propose the changes.

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**Background Papers:** None