

Licensing and Planning Policy Committee  
19 January 2023

## **FEES AND CHARGES 2023/24**

<b>Head of Service:</b>	Brendan Bradley, Head of Finance
<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	N/A
<b>Appendices (attached):</b>	Appendix 1 – Place Development Fees and Charges 2023/24 Appendix 2 – Place Development Fees and Charges 2022/23 Appendix 3 – Licensing Fees and Charges 2023/24

### **Summary**

This report recommends fees and charges for which this Committee is responsible, with the new charges being effective from 1 April 2023.

### **Recommendation (s)**

**The Committee is asked, subject to the approval of the Council, to:**

- (1) agree the fees and charges for 2023/24 as set out at Appendices 1 and 3.**

## **1 Reason for Recommendation**

- 1.1 To agree the fees and charges for the Licensing and Planning Policy Committee for 2023/24.

## **2 Background**

- 2.1 The Council will meet to agree the budget, including estimates of income and expenditure, on 14 February 2023. To enable the budget to be finalised, the policy committees are asked to recommend fees and charges covering the services for which they are responsible.

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- 2.2 In May 2022, Full Council agreed the Constitution which introduced a number of changes in committee responsibilities. Consequently, the budgetary responsibility for Place Development and Licensing budgets changed from Environment and Safe Communities Committee to Licensing and Planning Policy Committee.
- 2.3 The constitutional changes assign responsibility for agreeing the fees and charges for Place Development and Licensing to this committee. The fees and charges for this committee for previous years were agreed at the January meetings of the Environment and Safe Communities Committee.
- 2.4 The current economic climate creates uncertainty and difficulties for budget setting. To this end, the budget guidelines agreed by Strategy and Resources in September 2022 included an overall increase in revenue discretionary fees and charges of 6%. The guidelines also anticipate that additional income may be generated to contribute to the required savings target.
- 2.5 The fees and charges presented in this report are discretionary charges only. For discretionary charges, there is scope to generate additional income, to reduce any subsidy of the service or to contribute to an improved budget position.
- 2.6 There are a number of charges set externally that the Council has no power to alter. This restricts to Council's ability to raise additional income and therefore the fees and charges set by statute are not presented to this Committee for approval.
- 2.7 Within this committee, the charges which are set externally are statutory planning application fees, for which the income budget is £456k; and statutory fees for the licensing of liquor and gambling establishments, for which the income budget is £76k. As these charges are outside the control of the Council, the income budget has not been increased for 2023/24.
- 2.8 When preparing budget estimates, fees and charges have been reviewed by service managers and any negative impact on demand anticipated by increased charges has been considered.
- 2.9 Members should refer to the revenue budget report on this agenda for an overview of the Committee's budget position.
- 2.10 In January 2018, to reflect changes to the Council's management structure, the Committee agreed that the Chief Finance Officer should have delegated authority to vary fees and charges for items generating income under £1,000 per annum. The Committee also agreed that this officer be permitted under delegated authority to set charges for one-off services or items not included in the fees and charges schedule.

### **3 Proposals**

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- 3.1 The proposed fees and charges for 2023/24 are set out at Appendices 1 and 3 to this report. The main variations in fees and charges for each service area outside the range of an increase between 6% and 10% are set out below:

### Place Development

- 3.2 Following service improvements within the Development Management team, the fees and charges for 2023/24 have been completely overhauled to simplify them and ensure they are fit for purpose. The new charges are listed in Appendix 1 and the simplification of charges means a direct comparison to the previous year's fees and charges is not meaningful. Therefore the 2022/23 fees and charges have been detailed separately in Appendix 2 for information.
- 3.3 The table in section 5 of this report therefore does not include a split between the increase in income budget attributable to tariff increases and that attributable to volumes for Place Development.
- 3.4 Some Development Management services, such as Planning Performance Agreements, are bespoke and tailored to the specific development. A list of Officer hourly rates is therefore detailed in Appendix 1 to form the basis of the calculated fee. For these fees it has been possible to provide a comparison with the previous year.
- 3.5 Although for the majority of Place Development fees it has not been possible to provide a direct comparison with the previous year, when compiling the proposed new fees and charges, the current rate of inflation and proposed increase in income budgets has been taken into account.

### Licensing

- 3.6 Licensing has also seen some degree of fee restructuring, with some fees being retired and new fees introduced, for example the thresholds for taxi operator licences. Where a direct comparison with the previous year is possible this has been included.
- 3.7 A number of fees and charges within Licensing have remained unchanged for 2023/24. In most regulatory areas, local authorities are restricted from generating profits on the service provided. Epsom & Ewell has seen a significant increase in taxi operators choosing to be licensed within the borough, therefore the increased business results in increased income to the Council.
- 3.8 To ensure the income generated by regulatory licensing does not significantly exceed the costs of delivering the service, some fees have been held at the 2022/23 level. This strategy also goes to support the trade which the Council relies upon to maintain the safety of the night-time economy.

## 4 Risk Assessment

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### Legal or other duties

#### 4.1 Equality Impact Assessment

4.1.1 Increased fees and charges could have a negative effect on take up for some service areas. Managers have been asked to apply realistic increases to avoid this.

4.1.2 The current economic crisis has resulted in some instances in reduced revenue from fees and charges.

#### 4.2 Crime & Disorder

4.2.1 None for the purposes of this report.

#### 4.3 Safeguarding

4.3.1 None for the purposes of this report.

#### 4.4 Dependencies

4.4.1 None for the purposes of this report.

#### 4.5 Other

4.5.1 None for the purposes of this report.

## 5 Financial Implications

5.1 The discretionary fees and charges income budget for Development Management for 2022/23 is £169k, therefore the inflationary increase of 6% is £10k. The discretionary fees and charges income budget for Licensing for 2022/23 is £231k, therefore the inflationary increase of 6% is £14k.

5.2 At its meeting in July, Strategy & Resources Committee sought additional budget savings or income generation opportunities from committees to help address the budget deficit for 2023/24, which is forecast to reach £2.6m by 2025/26. Savings identified within this committee were an additional £25k of income within Development Management and £40k of additional income within Licensing.

5.3 The impact of the proposed fees and charges for services in 2023/24 is set out below:

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	Increase in income budget target (6% of prior year)	Total increase or (decrease) due to changes in tariffs	Variation resulting from changes to volumes	Variation between target and total change
	£'000	£'000	£'000	£'000
<b>Place Development</b>	10	N/A	N/A	25
<b>Licensing</b>	14	0	54	40
<b>Total</b>	<b>24</b>			<b>65</b>

5.4 The proposed charges will generate an additional estimated income of £89k. This has been taken into account in the budget to be presented to Council next month.

5.5 Overall, the effect of increased charges, combined with the anticipated change in volumes is that Licensing and Planning Policy Committee income budgets are higher than the targeted budgeted income from fees and charges by £65k.

5.6 The revised level of income has been included in the medium-term financial strategy to contribute towards a balanced budget over the next four years. A detailed breakdown of the 2023/24 budget can be found in the budget report included on this agenda.

5.7 **Section 151 Officer's comments:** all financial implications are included within this report.

## 6 Legal Implications

6.1 There are no specific issues arising from this report, but the Council's resources will need to be applied to ensure that it fulfils its statutory obligations and delivers its policy on equalities.

6.2 **Legal Officer's comments:** There are no direct legal implications arising from this report. Under section 1 of the Localism Act 2011 a local authority has a general power of competence. This grants a local authority the power to do anything that individuals generally may do. The general power of competence is subject to limitations on charging imposed by section 3 of the Localism Act 2011. Section 3 of the Localism Act 2011 permits a local authority to charge up to full cost recovery for discretionary services provided that there is no statutory duty to provide the service and the recipient agrees to its provision.

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### 7 Policies, Plans & Partnerships

- 7.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council.
- 7.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 7.3 **Climate & Environmental Impact of recommendations:** none for the purposes of this report.
- 7.4 **Sustainability Policy & Community Safety Implications:** none for the purposes of this report.
- 7.5 **Partnerships:** none for the purposes of this report.

### 8 Background papers

- 8.1 The documents referred to in compiling this report are as follows:

**Previous reports:**

- Budget Targets Report – Licensing and Planning Policy Committee on 27 October 2022.
- Fees and Charges 2022/23 – to Environment and Safe Communities Committee on 25 January 2022.

**Other papers:**

- Revenue Budget 2023/24 report – on this agenda.