

Licensing and Planning Policy Committee  
18 January 2024

## FEES AND CHARGES 2024/25

<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 2024/25 Appendix 2 – Licensing Fees and Charges 2024/25

### Summary

This report recommends fees and charges for which this committee is responsible, with the new charges being effective from 1 April 2024.

### Recommendation (s)

#### The Committee is asked to:

- (1) agree the fees and charges for 2024/25 as set out at Appendices 1 and 2.

## 1 Reason for Recommendation

- 1.1 To agree the fees and charges for the Licensing and Planning Policy Committee for 2024/25.

## 2 Background

- 2.1 The Council will meet to agree the budget, including estimates of income and expenditure, on 13 February 2024. 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.
- 2.2 The current economic climate creates uncertainty and difficulties for budget setting. To this end, the budget guidelines agreed by Strategy and Resources in July 2023 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.

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- 2.3 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.
- 2.4 There are a number of charges set externally that the Council has no power to alter. This restricts the Council's ability to raise additional income and therefore the fees and charges set by statute are not presented to this Committee for approval.
- 2.5 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 2024/25.
- 2.6 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.
- 2.7 Members should refer to the revenue budget report on this agenda for an overview of the Committee's budget position.
- 2.8 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**

- 3.1 The proposed fees and charges for 2024/25 are set out at Appendices 1 and 2 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 In November 2023 a report to this Committee highlighted the reduced income being achieved from planning related fees due to a number of reasons outside the Council's control. The report concluded that the budgeted income for 2024/25 and 2025/26 should be reduced by approximately £100k to take into account officer expectations of income generation for that period.
- 3.3 Consequently, the fees relating to pre-application advice and planning performance agreements have been held at the 2023/24 level for 2024/25 as these are discretionary services and increased fees could deter some applicants.

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- 3.4 Planning application fees are set nationally and have recently been increased by 35% for major applications and 25% for other types after a period of nearly 6 years at the same level. These fees don't feature within this report as they are not discretionary, but it is anticipated that the increase should help the overall planning income position for 2024/25.
- 3.5 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. These fees have been increased for 2024/25 at approximately 6% in line with the agreed inflationary increase for staff salaries.
- 3.6 A new fee has been introduced for 2024/25 for a Fast Track application service. The fee will be in addition to the standard planning application fee and the income generated will part-fund a new officer post to resource the new service.

### **Licensing**

- 3.7 The majority of discretionary general licensing fees have been increased by approximately 6% for 2024/25.
- 3.8 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.
- 3.9 To ensure the income generated by regulatory licensing does not significantly exceed the costs of delivering the service, the fees and charges for taxi licensing have remained unchanged for 2024/25. This strategy also goes to support the trade which the Council relies upon to maintain the safety of the night-time economy.
- 3.10 An additional fee for Knowledge Tests for Private Hire drivers has been introduced for 2024/25. The fee has been set at £66.00 and is lower than the Hackney Carriage Knowledge Test fee due to the lower level of work involved in administering the test.
- 3.11 A number of fees relating to a change of vehicle ownership have been removed for 2024/25. The rationale for this is that the Council receives very few notifications of change of ownership and officers believe the fee is a deterrent. It is important that the Council is notified of these changes, therefore the removal of the fee is expected to encourage this practice without impacting current income levels.

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- 3.12 A proposed discount of 10% on driver and vehicle licence applications and renewals completed online has been included within appendix 2. A new system is currently being worked on by officers with a view to introducing online application capability within the 2024/25 financial year. The rationale for the discount is to incentivise the more efficient online channel and to enable drivers to benefit from the lower cost of administration. The fee will only apply once the system becomes operational.

### **4 Risk Assessment**

#### Legal or other duties

##### 4.1 Equality Impact Assessment

4.1.1 None for the purposes of this report.

##### 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 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.

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

### **5 Financial Implications**

- 5.1 In 2023/24, the discretionary fees and charges income budget for Development Management for 2023/24 was £201k. In November 2023 a report to this Committee highlighted the reduced income being achieved from planning related fees due to a number of reasons outside the Council's control. The report concluded that the budgeted income for 2024/25 and 2025/26 should be reduced by approximately £100k to take into account officer expectations of income generation for that period.

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- 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 2024/25, which was forecast to reach £2.6m by 2025/26. Savings identified within this committee were an additional £50k of additional income within Licensing, and £25k of income within Planning from a new Fasttrack Service.
- 5.3 The impact of the proposed fees and charges for services in 2024/25 is set out below:

	<b>Increase in income budget target (6% of prior year) £'000</b>	<b>Total increase or (decrease) due to changes in tariffs £'000</b>	<b>Variation resulting from changes to volumes £'000</b>	<b>Variation between target and total change £'000</b>
<b>Place Development</b>	<b>12</b>	<b>25</b>	<b>(100)</b>	<b>(87)</b>
<b>Licensing</b>	<b>18</b>	<b>1</b>	<b>67</b>	<b>50</b>
<b>Total</b>	<b>30</b>	<b>26</b>	<b>(33)</b>	<b>(37)</b>

- 5.4 The proposed charges will generate an estimated income of £7k less than 2023/24. This has been taken into account in the budget to be presented to Council next month.
- 5.5 Overall, the effect of these charges, combined with the anticipated change in volumes, is that Licensing and Planning Policy Committee income budgets are lower than the targeted budgeted income from fees and charges by £37k.
- 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 2024/25 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.

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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.

## 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 26 September 2023.

### **Other papers:**

- Revenue Budget 2024/25 report – on this agenda.