


<b>Cabinet</b>  4 January 2023	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Kevin Bartle, Interim Corporate Director Resources (Section 151 Officer)	<b>Classification:</b> Unrestricted
<b>Fees and Charges 2023-24</b>	

<b>Lead Member</b>	<b>Councillor Saied Ahmed, Cabinet Member for Resources and Cost of Living</b>
<b>Originating Officer(s)</b>	Allister Bannin, Head of Strategic and Corporate Finance
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Reason for Key Decision</b>	Significant impact on wards
<b>Forward Plan Notice Published</b>	26 October 2022
<b>Strategic Plan Priority / Outcome</b>	All strategic plan priorities

### Executive Summary

This report details the proposed changes to fees and charges across the Council for the financial year 2023-24.

Fees and charges detailed in this report generally fall into two broad categories:

- Discretionary – those set at the discretion of local authorities, for example venue charges and commercial waste collection.
- Statutory – those prescribed by government statute, for example notice of marriage and household planning applications for alterations.

The level of inflation (CPI 9.0% & RPI 11.1% in April 2022) along with rounding the charge to the nearest 5p, 10p, etc for practical purposes have been key factors in determining the recommended changes. Other factors such as service demand, the projected cost of providing the different services, benchmarking with other local authorities and the impact of general economic factors including Covid-19 and cost of living on the Council's residents have also been considered.

## **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Approve the proposed changes to discretionary fees and charges as detailed in the appendices, subject to the conditions set out in Recommendation 4.
2. Approve new discretionary fees and charges as detailed in the appendices, subject to the conditions set out in Recommendation 4.
3. Approve the revised statutory fees and charges as detailed in Appendix 2.
4. Note the Equalities Implications as set out in Section 4 and that, where a proposed fee or charge requires a full Equality Impact Analysis (EIA), this EIA will be undertaken prior to the introduction of the change to the respective fee or charge.
5. Approve the continued delegation for amendments to fees and charges, including those to take account of the result of EIAs, to the relevant Corporate Director following consultation with the Lead Member and the Mayor.
6. Approve the application of the changes in Street Trading fees and charges, to take effect from 1 April 2023. Cabinet approved on 18 January 2022 to commence the consultation process in respect of Street Trading fees and charges, as detailed in the Fees and Charges 2022-23 report. The consultation has subsequently been carried out in 2022.

## **1 REASONS FOR THE DECISIONS**

- 1.1 Fees and charges are reviewed annually as part of the Council's budget setting process. This ensures that they are set at the appropriate level for the prevailing economic conditions and represent good practice in terms of the Council's aim to provide value for money.

## **2 ALTERNATIVE OPTIONS**

- 2.1 Whilst the changes to existing and the introduction of new fees and charges recommended in this report follow a review of the current charging regime, other alternatives can be adopted by Members if they so wish. The financial impact of any alternatives will need to be reflected in the Council's Medium Term Financial Strategy (MTFS).

### **3 DETAILS OF THE REPORT**

#### **3.1 BACKGROUND**

3.1.1 The application of fees and charges plays an important role in supporting the Council to achieve its strategic priorities, for example, by:

- Providing a source of funding for re-investment in services;
- Influencing service demand whilst, through appropriate discounts and concessions, ensuring that they take account of the ability to pay and social benefit (eg. discounted venue hire rates for community groups);
- Working as a driver to reduce unit costs.

3.1.2 To support residents through the cost of living crisis, Cabinet agreed in July 2022 a range of support to eligible households with school aged children, eligible households with below school aged children and pensioners on pension credit.

3.1.3 To support residents and market businesses, this report introduces free parking concession for one hour at specific locations around markets within the borough.

3.1.4 The Council is also considering a range of investments as part of 2023-26 budget setting to support residents through the cost of living crisis and to improve life chances. Proposals include the continuation of universal primary school free school meals, the introduction of universal secondary school free school meals, post 16 education maintenance allowances, university bursaries and free community-based adult social care services. Income raised through fees and charges supports the Council to set a balanced budget and fund services that support the community.

3.1.5 Fees and charges generally fall into two broad categories; Statutory or Discretionary. Charges that do not fall into either category include Penalty Charge Notices set by London Councils' Transport and Environment Committee, and on-street parking charges driven by traffic management considerations.

3.1.6 Proposed increases have been rounded to the nearest 5p, 10p, etc for practical purposes and in some instances this has resulted in a large percentage change. This is necessary to ensure the practical application and collection of charges.

#### **3.2 HEALTH, ADULTS AND COMMUNITY**

**Community Based Social Care Services and Residential Care Services  
(Appendix 2, section 6.1)**

- 3.2.1 A policy is in place that sets out a framework for charging for adult social care services, covering both residential care and community based social care services. There is no set pricing, as the actual cost of services is used to inform the amount charged to each service user, following financial assessment which determines the contribution a service user can make towards their actual cost of care.
- 3.2.2 Further information on the adult social care charging policy can be accessed online at:  
[https://www.towerhamlets.gov.uk/lqnl/health\\_social\\_care/ASC/Support from Social Care/Paying for your care/Charges.aspx](https://www.towerhamlets.gov.uk/lqnl/health_social_care/ASC/Support_from_Social_Care/Paying_for_your_care/Charges.aspx)

### **Disability Related Expenditure Allowances**

- 3.2.3 For clients who receive their care and support in a community-based setting, including their own home, they are eligible to receive a Disability Related Expenditure (DRE) allowance, that takes into account expenditure they incur for items or services because of their disability or long-term condition. These are treated as allowable expenditure in their financial assessment calculation. To be eligible they must be in receipt of either Disability Living Allowance, Personal Independence Payments or Attendance Allowance.
- 3.2.4 Current DRE allowances set a maximum threshold for each type of expenditure item e.g. privately arranged care, private domestic help, dietary requirements, gardening, wheelchair, specialist beds/bedding, clothing/footwear etc.
- 3.2.5 It is proposed that DRE allowances are changed to Standard Allowance rates, dependent upon age and category of disability benefit the client receives.
- 3.2.6 The current system of DRE Allowances is heavily dependent upon obtaining evidence of receipts for the majority of items of disability related expenditure incurred by a client. Failure and delays in return of the appropriate evidence of expenditure, causes the financial assessment process to be held while this is being reviewed or chased. Moving to a standard allowance system will be easier to understand for clients, reduce the need for financial assessment officers to chase for receipts of expenditure, and remove the inherent judgement by financial assessment officers of what is "reasonable" in some of the categories of expenditure. Please refer to Appendix 3 for the current Disability Related Expenditure Allowances.
- 3.2.7 The proposed Standard DRE Allowances will be implemented from 1 April 2023. The amount depends on the age of the customer and the disability benefit that they are in receipt of, as per the table below:

<b>Age / Disability Benefit Category</b>	<b>Standard Allowance per week</b>
<b>Age between 18 and Pension Age</b> Low Rate Disability Living Allowance / PIP Mid Rate Disability Living Allowance / PIP High Rate Disability Living Allowance / PIP	£10.00 per week £15.00 per week £25.00 per week
<b>Over Pension Age</b> Low Rate Attendance Allowance / PIP High Rate Attendance Allowance / PIP	£15.00 per week £25.00 per week

3.2.8 A Client can request an individual assessment of Disability Related Expenditure if they feel that their Disability Related costs are higher than the standard amount. All additional expenditure will need to be listed individually and each item will require verification. This will be done via receipts and bank statements, and all expenditure will need to be relevant and reasonable.

### **3.3 CHILDREN AND CULTURE**

#### **School Meals (Contract Services) (Appendix 1, section 1.1)**

3.3.1 The School Meals Service operated by Contract Services continues to provide fresh, healthy and nutritious meals to pupils on a daily basis. The menus change each April and November and are designed to exceed the Government's tough nutritional and food-based guidelines.

3.3.2 The Fees and Charges report for 2021-22 recommended that Contract Services no longer link the meal cost to the Government UIFSM grant levels as there are several other school meal income sources. The Council continues to subsidise Contract Services Primary meal price due to rising food/supplier and labour costs which have significantly increased. The Primary meal price has been subject to an Academic year price review increasing to £2.50 from 1 September 2022. In September 2023, the same will apply when the Primary meal will increase to £2.65. This is a six percent rise and below CPI rates and largely necessary for Contract Services to remain competitive with the outside market.

Schools receive funding for free school meal pupils at a far higher rate than the £2.50 meal price. Non-FSM key stage 2 meals will continue to be reimbursed at the price charged to schools. Therefore, this increase will only have a small impact on school costs and zero impact on parents as all school meals for Primary pupils will continue to be free to the child at delivery.

No parents of Primary School children will pay the costs for providing a meal, these are universally available to all Children at no cost. The Council is proposing via the 2023-26 MTFS to continue the provision of universal primary school free meals at an estimated investment of £3m per annum

(£2m funded from the general fund and £1m from the Public Health grant). The cost shown here relates to the cost to the School of providing the meal service which is funded through government and council grants to the School.

- 3.3.3 The charge of the Adult meal price for both Primary and Secondary Schools will change from £2.80 to £3.10 excluding VAT, this compares favourably when reviewed against other inner London Council charges and is in line with current CPI rates.
- 3.3.4 From April 2023 the recommended charge for a Secondary School meal will increase from £2.70 to £2.90 for the main meal and dessert offer. However, in secondary schools a variable meal charging structure exists for other hot and cold 'Grab and Go' food items served during morning break and the lunch service.
- 3.3.5 The Council is proposing via the 2023-26 MTFs to introduce the provision of universal secondary school free meals, to be fully implemented from September 2023, at an estimated investment of £2.820m in 2023-24 (£3.710m full year effect per annum from 2024-25).

#### **Arts and Music (Appendix 1, section 1.2)**

- 3.3.6 The cost of the service is fully funded through Department of Education grants and fee income and therefore no subsidies are received from the Council. Fee levels remain the lowest of all music services within London and the proposed changes are necessary to cover inflationary pressures. The service will continue to be free of charge for those parents classified as being on low incomes and contributions will only be required from those whose parents can afford to pay. The rate for 2023-24 for THAMES music services will be £4.30/£9 for Wednesday and Saturday sessions respectively. If it is deemed appropriate, fee increases in line with inflation will be implemented at the beginning of the next academic year.

#### **Parental Engagement & Support (Appendix 1, section 1.3)**

- 3.3.7 The Council runs childcare schemes during school holidays for both working and non-working parents and carers. The holiday childcare scheme provides affordable high quality, inclusive childcare for children aged 3-13 years. Provision is aimed at supporting parents and carers to continue to work by providing childcare options during the school holidays. Affordable high-quality childcare is paramount for the parent/carers who access the scheme, which includes families from across the socio-economic spectrum.
- 3.3.8 Benchmarking has identified the Holiday Childcare Scheme charge below the London average weekly fees. Increased fees proposed this year are in line with inflation and appropriate rounding and keep Tower Hamlets in the lower fee range whilst developing the differentiated pricing model. Further review of the fee structure will be undertaken to ensure affordable childcare with appropriate level of subsidy.

3.3.9 The recommended charges for 2023-24, increased in line with inflation, are as follows: £8.00 per day for non-working parents, £16.40 or £22.60 per day (depending on level of income) for working parents between 9am and 5pm, and £21.40 or £28.20 (depending on level of income) for an extended day 8am – 6pm.

3.3.10 The LA Holiday Childcare provision for 2023-24 for non LBTH residents will be increased in line with inflation to £62.00 per child, per day.

#### **Integrated Early Years Service (Appendix 1, section 1.4)**

3.3.11 It is proposed to just increase fees for early years training in line with inflation, which means that education and care settings will continue to be significantly subsidised by the Council. The service will continue to use flexibility in pricing to enable it to offer discounts (e.g. for multiple bookings, early bird offers), to maximise the take up of training places.

3.3.12 The Early Education and Childcare Service offer support, advice and nurturing challenge to the private, voluntary, independent (PVI), maintained nurseries and school-based nursery sector on the Ofsted Early Years/ISI register delivering early education and childcare for children 0-4, not yet in reception.

3.3.13 The Early Years agenda is wide reaching, and it is essential to work collaboratively across a variety of partners ensuring we offer a high-quality, continuous, professional development programme for all our providers. We have made sure we use a variety of experienced trainers including our own staff members, internal council colleagues and external trainers who are experts in their field, enabling wider learning opportunities.

3.3.14 Feedback tells us that we provide interesting, fun, engaging and interactive, high-quality learning opportunities and that the teaching styles were highly effective, stimulated learning and have had lasting impact to practice.

3.3.15 In developing our training offer, we have considered local, regional and national priorities, drivers, statutory duties and legislation, as set out by the Department of Education and Ofsted. This programme is designed from consultations with the sector and by using a gap analysis utilising Ofsted and local intelligence data. We are committed to providing motivation for all providers to engage in their professional development by keeping charges low, using a cost-recovery model to determine costs and brokering attendance for individuals in group training sessions.

#### **Support Services to Academies and Free Schools (Appendix 1, section 1.5)**

3.3.16 The Council provides a range of support services for its schools on a traded basis, which are set out in detail in our online catalogue at

www.lbthservicesforschools.co.uk. These services are charged on a full cost recovery basis.

- 3.3.17 Where appropriate, these services are offered to academies and free schools. To cover the additional administrative costs of providing these services to organisations outside local authority control, a pricing policy that adds a 10% administrative charge to the full cost recovery rate was previously adopted. It is proposed to continue with this policy. Academies and Free Schools will also be charged VAT.

### **Arts, Parks and Events (Appendix 1, section 1.6)**

- 3.3.18 Hire of space at several venues within the borough is managed by the Arts, Parks and Events Service. The rates for hire of venues within the borough have been reviewed and the majority of the rates are increased in line with inflation.

### **Sports & Physical Activities (Appendix 1, section 1.7)**

- 3.3.19 Astro turf at Stepney comes under King George's Field Trust (KGFT) and therefore increased charges will need to be approved or at least noted after the Cabinet meeting at the KGFT board meeting. Outdoor sports pitches are managed by the Arts, Parks and Events Service. It is proposed to increase all pitch fees in line with inflation. The resultant charge for astro turf pitch hire is rounded up to the nearest £1. All other charges are rounded up to the nearest 10p. Pitch fees remain well below those in other London Boroughs. The rates for local residents and groups are low in comparison to other providers. There will be a concessionary fee for those Tower Hamlets residents who come from low income families. People and groups from outside Tower Hamlets will be charged at a higher rate.
- 3.3.20 The borough's leisure centres are managed by Greenwich Leisure Limited. The fees and charges for leisure centre activities in 2023-24 are currently proposed to be raised in line with the general inflationary increase. However increases above inflation may be required to mitigate increases in energy costs and will therefore be kept under review.

### **Academy Conversions (Appendix 1, section 1.8)**

- 3.3.21 Once a school has government approval to convert to academy status, the Council must support the conversion process. An academy conversion requires input from a range of council services with no additional funding from central government. The costs associated with the conversions include significant legal costs due to the complicated process of land transfer and compilation and agreement of the commercial transfer agreement. The fees have been increased to £12,500 for non-PFI schools and £15,000 for PFI schools. The DfE currently award a grant of £25,000 to support the school in the costs of conversion so this would support the school in meeting the cost of the conversion.



## **3.4 PLACE**

### **Parking (Appendix 1, section 2.1)**

- 3.4.1 The Road Traffic Regulation Act 1984, section 45 outlines the reasons charges can be levied on designated parking places, these are: -
- (a) the need for maintaining the free movement of traffic.
  - (b) the need for maintaining reasonable access to premises; and
  - (c) the extent to which off-street parking accommodation, whether in the open or under cover, is available in the neighbourhood or the provision of such parking accommodation is likely to be encouraged there by the designation of parking places under this section.
  - (d) managing and reconciling the competing demands for kerb space
- 3.4.2 The tariffs for designated parking places proposed in this report are designed to ensure a turnover of spaces to support local business and accessibility for residents and visitors to reduce congestion and emissions, therefore contributing to improvement to road safety.
- 3.4.3 Section 55 of the 1984 Act outlines the statutory requirement for disposal of income in respect of parking charges.

### **Encouraging more sustainable transport**

Parking prices significantly influence parking demand, parking space turnover and, ultimately, car use and ownership.

We aim to use parking prices as a tool to regulate supply and demand. This is important as the demand for parking in inner London is greater than the amount of space available. By discouraging unnecessary car use, parking prices help to:

- improve congestion
- improve road safety
- improve local air quality
- reduce carbon dioxide emissions
- improve the quality of the local street environment
- shorten bus journey times and emergency vehicle response times

This is in line with Department for Transport's (DfT's) guidance to local authorities on parking, Tower Hamlets traffic management duties under the Road Traffic Regulation Act 1984, public health responsibilities under the Health & Social Care Act 2012 and the need to meet EU air quality standards.

### **Covering the costs of the scheme**

A permit system is required in a parking zone so that we can identify local users. Enforcement would not be possible without issuing penalty charge notices to motorists parked in contravention. The DfT's guidance strongly

recommends that the costs of parking controls are met using income from the scheme. The costs of managing the scheme includes:

- maintaining signs
- lines and posts
- implementing traffic management orders (local bylaws setting out the rules for parking)
- parking enforcement
- issuing permits
- considering appeals against fines
- back-office support

We believe that it is fairer if the costs of running a parking zone are met by the motorists benefiting from the scheme rather than if they are subsidised using council tax or another general fund.

### **Resident permits, and Business / Public Service Permits / Doctors / Contractors proposals.**

- 3.4.4 The average increase proposed across permits is in line with inflation and appropriate rounding.

#### **Visitor Voucher**

- 3.4.5 The increase proposed for visitors vouchers is in line with inflation and appropriate rounding.

#### **Paid for Parking**

- 3.4.6 The average increase proposed across paid for parking is in line with inflation and appropriate rounding.
- 3.4.7 We are also introducing 1-hour free parking concession at specific locations around markets within the borough. Customers will be required to book the 1-hour free parking concession using our cashless provider (RingGo). With this free parking concession there is an estimated loss of revenue of up to £150k at this stage.

#### **Administration Charges**

- 3.4.8 The average fee increase proposed for suspensions, permit refunds, dispensations and skip licences is in line with inflation and appropriate rounding.
- 3.4.9 Since the introduction of the swap vehicle function, which allows permit holder to change their vehicle details of their active permit on our online portal there has been an average of 200 processed each month.
- 3.4.10 Therefore, we are proposing to introduce an administration charge at a flat rate of £10 for the swap vehicle function which allows customers to change

the vehicle details of a permit using our online portal. This charge reflects resources needed to validate the swap vehicle request / documentation.

### **Waste Operations (Appendix 1, section 2.2)**

- 3.4.11 Commercial waste collection charges, commercial bulky waste collection charges, and supply of metal waste containers, have been increased in line with inflation.
- 3.4.12 The fees for collection of household bulky waste charges, over and above two free collections, are not proposed to be increased.

### **Operational Services (Appendix 1, section 2.3)**

- 3.4.13 It is proposed to increase fees for supply of composters and wormeries in line with inflation.

### **Transportation and Highways (Appendix 1, section 2.4)**

- 3.4.14 Fees for most Traffic Management Orders are proposed to be increased above inflation to minimise the impact of road closures by major developments. Other fees are proposed to be increased by inflation and appropriate rounding.

### **Street Trading (Appendix 1, section 2.5)**

- 3.4.15 The Council charges fees to traders at markets in the borough.
- 3.4.16 Revenue from the markets funds the service operation, providing officers to manage and administer the markets along with cleansing and waste activities.
- 3.4.17 A benchmarking exercise with neighbouring boroughs last financial year showed that Tower Hamlets had the lowest fees for permanent traders.
- 3.4.18 To keep the markets sustainable in the long term, it is essential the fees are set at the right level, providing a quality service to customers, and helping the traders ensure their business remains financially viable.
- 3.4.19 Cabinet approved on 18 January 2022 to commence the consultation process in respect of Street Trading fees and charges, as detailed in the Fees and Charges 2022-23 report. The consultation has subsequently been carried out in 2022.
- 3.4.20 Recommendation 6 requests for the Mayor in Cabinet to approve the application of those changes specified in the Fees and Charges 2022-23 report, to take effect from 1 April 2023.
- 3.4.21 Those changes included fee increases in the main to take account of CPI inflation of 3.1% as at September 2021. There were some higher increases

to make the fee structure clearer and some charges were added that were missed from the 2021-22 fees schedule due to the large number of new fees introduced in 2021-22.

3.4.22 To support market businesses, the Council is not increasing the Street Trading fees and charges by the further CPI inflation of 9% as at April 2022.

3.4.23 Also to support residents and market businesses, this report introduces free parking concession for one hour at specific locations around markets within the borough.

3.4.24 Section 32 of the London Local Authorities Act 1990 (LLAA 1990) allows the authority to set fees and charges for street trading and temporary licences. The regime is intended to recover the costs incurred by the authority for matters such as street cleaning, enforcement, waste collection and administration.

### **Environmental Health and Trading Standards (Appendix 1, section 2.6 and Appendix 2, section 6.3)**

3.4.25 Fees within this area have in the majority been increased in line with inflation. The fee levels will ensure full recovery of costs and are comparative to other local authority charges.

3.4.26 The annual fee for Adult Gaming Centres premises licences has been increased from £650 to £780 which now sets the fee in line with the average fee currently charged by Camden, Westminster and the City of London. This remains lower than the £1,000 statutory maximum.

3.4.27 The annual fee for Betting Shops premises licences has been increased from £500 to £600 which now sets the fee at the statutory maximum which is already charged by Camden, Westminster and the City of London.

### **Planning and Building Control (Appendix 1, section 2.7)**

#### Planning and Building Control

3.4.28 Planning and Building Control (P&BC) continue to review their fees and charges on a yearly basis. For 2023-24 the division have completed a more detailed review, post-pandemic, of the position with all discretionary fees and charges. P&BC is increasingly income funded and as it has become more income reliant there is a clear onus on the division to ensure it is both covering its costs where possible and remaining efficient, effective and competitive.

3.4.29 Overall, weighing up current fee levels, assessing the service we can offer at present and the robustness of a competitive trading environment in Building Control it is considered prudent to contain most fees and charges to inflationary increases only at this time. This includes all Street Naming & Numbering and Local Land Charge Service charges where the council is either the highest or close to the highest fees in its benchmarking group.

### Development Management

- 3.4.30 Pre-application fees were last reviewed extensively in 2019-20 and benchmarking carried out in February 2021 showed that Tower Hamlets fees for pre-application advice remain in the higher cost bracket for our largest fees, when compared with a group of 6 other inner central London boroughs. Fees for strategic scale development (Scale E) were increased last year to ensure service costs are covered.
- 3.4.31 New fees were introduced for introductory meetings with the Director and/or Head of Service in 2022-23. These have proved attractive to the development industry and several pre-application projects have commenced with a charged meeting that would previously have been offered with no charge. Two different charges have been levied for major (scale D) and strategic scale development (scale E). In practice there is little difference between the level of service offered at this stage in the process. For 2023/24 it is proposed to align the two fees at the higher level (scale E).
- 3.4.32 Planning Performance Agreement (PPA) Administration & Monitoring fees charged for the first time in 2020/21 and following benchmarking were increased in 2022/23. The PPA administration fee for individual sites will be clarified as being a minimum with the scope to build a bespoke fee comprised of the standard meeting fees for the relevant scale of development, bringing LBTH approach into line with peer authorities. Two different fees were levied depending on whether the proposed development required an environmental impact assessment or not. For 2023-24, it is proposed to simplify this to a single PPA fee for all major development that meets the planning committee terms of reference to be set at the higher of the two fees and subject to inflation increases.
- 3.4.33 The DM Service has moved to a fully income funded model and also supports additional resources in public realm and legal teams that are integral to the application assessment and decision process. In order to recover these costs new discretionary fees are proposed in order to contribute to the costs of funding additional resources in the Highways and Environmental Health (Noise) teams. these fees will be levied within PPA's for planning application involving strategic scale development.
- 3.4.34 It is increasingly common for developers to seek minor amendments to planning permissions for major development, for example to improve the design or optimise floorspace. The formal process is known as a minor material amendment, achieved by varying the planning condition that lists the approved plans. The statutory fee is £234.00 which is disproportionately low given the level of work involved, given that approval of a minor material amendment in effect results in a new permission being issued. A number of developers have recognised the disparity between the statutory fee and the Council's resource input and have voluntarily entered into PPA's to provide additional resources. For 2023-24 this approach will be formalised with the proposed fee being the PPA fee plus the equivalent

of the statutory fee calculated on any uplift in floor space and will be targeted at all major developments.

- 3.4.35 All of the proposed new DM fees will be presented at the Developer Forum scheduled for November and any relevant feedback incorporated before the proposed fees are finalised.

#### Building Control & Infrastructure Planning

- 3.4.36 Building Control must carefully manage any ambition to increase fees with the likelihood of an impact on its competitiveness and attractiveness to companies seeking a building control provider. In the current trading conditions, it considers fees can only be increased by inflation in a bid to remain competitive. Strategic Planning has few fee raising opportunities with it currently being limited to charging for documents and other materials. These will increase by inflation. There are a few additional fees in Infrastructure Planning.

#### **Venue Hire (Appendix 1, section 2.8)**

- 3.4.37 The council owns a network of community hubs and other buildings with spaces for hire across the borough, the majority of which are managed by the council's Facilities Management Team. There was an opportunity to potential community groups to apply for management of the Mayor's sites, this concluded September 2021. Two sites had successful bidders. Due to a delay in EPC certification for one site, a joint management solution exists for the interim. The remaining three hubs are likely to be reviewed. The other sites are currently being let through the event agent TAG, where there is a 10% levy on the bookings (this is included in the proposed fees). The team are looking at advertising and marketing these sites better to avoid booking agents where possible.

#### Community hubs

- 3.4.38 Should any of the community hubs remain the responsibility of Facilities Management in 2022-23, consistent charging would hopefully apply to all the community hubs, with lower rates for residents, community groups and charities than for commercial hire. At present one hub sits outside of the charging element due to historical management being external to the council. Facilities Management are attempting to generalise this hub with the remaining hubs.

#### Other council owned venues for hire

- 3.4.39 The following venues are targeted towards commercial hirers, but we welcome enquiries from residents and charity groups who we would look to offer a discount to.

#### Haileybury Centre

- 3.4.40 Enquiries for the use of this venue is high as it has a multi-versatile space that meets various needs of the community including, external youth services at a reduced rate as well as, the local residents and businesses. The external youth services have use of the football pitch within their hire

period. Other users may hire the football pitch; however, it incurs the rate that reflects the requirement to have staff on site to manage the building security; having a security presence on each floor increases the hire fee for those users.

#### Jack Dash House

- 3.4.41 This venue is one of the venues priced at a commercial rate, similar to industry standard for this type of venue, and targeted towards commercial hirers. The venue's close proximity to the Canary Wharf business hub enables the charges to be at commercial rates. Enquiries from residents and charity groups are welcomed and discounts for these groups may be available. Some of the site is currently partially let to commercial companies.

#### Bethnal Green Library

- 3.4.42 This venue is priced at a commercial rate, similar to industry standard for this type of venue, and targeted towards commercial hirers. The venue's recent refurbishment and design of the space has encouraged take up. The venue holds a licence to host wedding ceremonies, and this contributes to the commercial rate pricing. Enquiries from residents and charity groups are welcomed and discounts for these groups may be available.

#### Limehouse Centre

- 3.4.43 Enquiries for the use of this venue is high as it has a multi-versatile space that meets various needs of the community, including external youth services at a reduced rate as well as the local residents and businesses. The external youth services have use of the external football pitch within their hire period. Other users can utilise this pitch at an affordable rate as the location does not compromise the security of the building. The centre has very close proximity to transport links. The climbing wall is available to the external youth services within their hire of the premises. Other users may hire the climbing wall both subject to a certified or qualified instructor being on site for the duration of the hire.

#### Harford Community Centre

- 3.4.44 Harford Street Centre has a combined large hall with the ability to section the hall into 3 parts. It is attractive to many types of hire as the event area is self-contained with a semi commercial kitchen. Use of this venue is increasing with community groups as well as use for weddings and other events. This site has the capacity to offer community, resident, and commercial events.

### **3.5 RESOURCES**

#### **Registration of Births, Deaths & Marriages (Appendix 1, section 3.1)**

- 3.5.1 The Registration & Citizenship Service has several fees and charges from statutory services such as the registration of births, deaths, marriages and civil partnerships and other services such as citizenship ceremonies, approved premises' licences, etc. Having reviewed the current service's

charges and those of a sample of other London Boroughs, some increases are proposed that ensure the service remains competitive in the non-statutory services it offers and can meet its income budget targets.

- 3.5.2 The service has moved from Bromley Public Hall to the newly refurbished St George's Town Hall, which has improved opportunities for revenue generation from ceremonies and events. The fees and charges schedule has been updated to show the new charges at the new venue. Work is underway to develop further packages for weddings and civil ceremonies, which will be introduced and agreed through the delegated authority to the Corporate Director Resources, following consultation with the Lead Member and Mayor.

### **Council Tax and Business Rates (Appendix 1, section 3.2)**

- 3.5.3 Court costs are charged to both Council Tax payers and Business Rates payers when they default on their payment schemes and it becomes necessary to take enforcement action to secure the Council's position and obtain a liability order to recover any outstanding sums.
- 3.5.4 There have been a number of high profile legal challenges to court costs charged by local authorities. The current charges already place the authority at the higher end when compared with other London Boroughs. Any increases to this charge would need to be agreed by the Courts and it is not proposed to increase charges at the moment due to the impact of the pandemic and cost of living on local residents and businesses.

### **Idea Store and Idea Store Learning (Appendix 1, sections 3.3 and 3.4)**

- 3.5.5 The services have reviewed the fees and charges across Idea Stores, Local History Library and Archives, and Idea Store Learning. Fees have been increased in line with inflation (and appropriate rounding).

### **Financial Deputyship and Appointeeship Charges (Appendix 1, section 3.5 and Appendix 2, 6.7)**

- 3.5.6 Four new charges are being introduced in 2023-24, as allowed by statutory legislation and the Court of Protection, for services provided by the Client Financial Affairs (CFA) Service to Deputy and Appointee clients.
- 3.5.7 The money management fee for Appointee clients would be charged to clients with over £2,000 in assets, where the Client Financial Affairs Service acts as Corporate Appointee and the case is then changed to a Property and Affairs Deputy Case. Charges are set by the Court of Protection.
- 3.5.8 The CFA Service deals with estates when a client passes away when there is no next of kin able to deal with the estate, the next of kin may not want to deal with the estate, while the Service is trying to locate next of kin, or also to assist the next of kin in dealing with estate matters. The fee proposed for



this service is an hourly rate based on the Officer who is dealing with the estate matters (including 20% for on-costs).

- 3.5.9 The Court of Protection allows the CFA Service to charge the fee paid for providing a prepaid card to a client where the service acts as a Corporate Appointee or Court appointed Deputy. For Deputy cases, the fee is agreed and charged by the Court. By introducing this new charge, which will be based on the actual cost incurred by the Council from the Prepaid Card provider, we will be ensuring that all clients are charged equally for the same service.
- 3.5.10 Currently, where the CFA Service acts as a Corporate Appointee or a court appointed Deputy, there is an annual charge that is set by the Ministry of Justice, for work undertaken, which includes the application fee, an administration fee for the first year, the administration fee for year 2 onwards, a property fee, an account fee and travel rates. Currently, the CFA service only charges this fee where they act as a court appointed property and affairs deputy. This extended charge will now cover all Corporate Appointees as a mirrored charging structure, to ensure that all clients' charging basis is brought into line. The Ministry of Justice is currently reviewing the fee structure for 2023-24, and therefore these charges may need to increase, or reduce, in line with any changes.
- 3.5.11 The CFA Service manages the finances on behalf of clients who are in receipt of an Adult Social Care Service, where the Court has appointed the service as a Corporate Appointee or Deputy. The Council's appointed Deputy is the Corporate Director of Health, Adults & Community. Any income received from charges offsets the costs of running the CFA Service (in the Resources Directorate), including the new ContrOCC Financial Protection IT system.

## **4 EQUALITIES IMPLICATIONS**

- 4.1 The Equality Act 2010 requires the Council, in the exercise of its functions to have due regard to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.
- 4.2 Our borough's strength lies in its diversity and the different communities and cultures living side by side. The Council is working to make the Borough safe, welcoming and a place of opportunity for all however inequalities still exist. The borough is the most densely populated local authority in the country. Tower Hamlets has 39% of overall poverty with 51% of the children in the Borough living in poverty; both are highest in London. Unemployment rates stand at 7.5% which is higher than the London average of 5.3%. Similarly, 14% of residents claim out of work benefits which is also higher than the London average. There are significant health problems and the borough has the lowest life expectancy rates in London (disability-free) and 43 per cent of Year 6 children are overweight or obese. Coupled with this is the fact that Tower Hamlets has the fastest growing population in the UK.

- 4.3 These inequalities and rapid growth mean that ensuring equality is embedded throughout Council plans, services and activities is the number one priority and at the heart of all decision making. To help meet its duty under the Equality Act, on all proposed changes, the Council undertakes an equality impact screening and where appropriate a full Equality Impact Analysis to determine whether the proposal will have a disproportionate impact on persons who share a protected characteristic and to also outline actions to mitigate against the equality risks.
- 4.4 Fees and charges are reviewed annually as part of the Council's budget setting process. This ensures that they are set at the appropriate level for the prevailing economic conditions and represents good practice in terms of the Council's aim to provide value for money.
- 4.5 Increasing pressures on the Council's limited finances mean that the Council needs to continue making savings in the next three years. This is a major challenge for the Council which needs to consider every penny spent while ensuring that equality remains at the heart of all decision making. The proposals for increases to fees and charges detailed in this report support the Council's Medium Term Financial Strategy and are necessary to deliver approved savings and achieve a balanced budget.

## **5 OTHER STATUTORY IMPLICATIONS**

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
  - Consultations,
  - Environmental (including air quality),
  - Risk Management,
  - Crime Reduction,
  - Safeguarding.
  - Data Protection / Privacy Impact Assessment.

5.2 None.

## **6 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 All directorates have undertaken a review of their fees and charges as part of the annual budget setting process. In general, fees and charges recover some or all of the costs of providing services. This generates income which reduces the cost of services borne by council tax payers and can also be used to achieve other strategic objectives, such as encouraging the use of particular services. A decision to charge for, or subsidise, services needs to be based on rational considerations.

- 6.2 In general, it is proposed that discretionary fees and charges are increased by a minimum of inflation, unless there is a compelling reason for not increasing at all or increasing by a lesser or greater amount.
- 6.3 The total amount of income generated through fees and charges will depend on price as well as activity. The MTFS currently assumes income increases within the General Fund totalling £235k for 2023-24 which contribute towards meeting the overall budget gap.
- 6.4 The level of income is approximately £30m, however the Covid-19 pandemic had a significant impact on income received in recent years.
- 6.5 If it is decided not to increase charges in line with inflation, this will generally have the impact of increasing the level of subsidy provided by the Council to service users and alternative savings will need to be found to cover the General Fund budget gap. Once a decision is made to freeze charges, it is difficult to recover the lost income without increasing costs by more than inflation in a future period. The financial implications of freezing charges can therefore be regarded as permanent.

## **7 COMMENTS OF LEGAL SERVICES**

- 7.1 The Council has in place a range of fees and charges relating to services it provides. In respect of certain fees and charges, the level of fees and charges is prescribed by statute and in those cases, there is no discretion as to the level of charge.
- 7.2 Under sections 93 and 94 of the LGA 2003, Local Authorities may charge for non-statutory services provided that the Council establishes a robust methodology for assessing the cost it charges for such discretionary services and the charges are set at a level to recoup the cost only and not make a profit.
- 7.3 This report also confirms that the proposed increases accord with the law in this regard.
- 7.4 Section 32 of the London Local Authorities Act 1990 (LLAA 1990) allows the authority to set fees and charges for street trading and temporary licences. The Council may also take into account some associated matters when setting the level of charges such as street cleaning, enforcement, waste collection and administration.
- 7.5 S.32(7) requires notice to be given to the licence holders or a body representative of licence holders and to publish a notice of the proposed charges in a newspaper circulating in the area to which the charges will apply. The notice must also include a statement of how the charges have been calculated.
- 7.6 At least 28 days from the date of the publication of the notice will be allowed for representations to be made, which may be extended and any

representations received within the specified period must be considered before a final decision is made. The consultation is only valid if the decision is still at a formative stage when the consultation is carried out.

Recommendation 6 seeks a delegation to make the final determination on the level of fees and charges once the consultation has been successfully completed and conscious consideration of any representations has been undertaken. This accords with the Council's constitution. The fees and charges, once determined, will be published in a newspaper or newspapers circulating in the area of the licence street to which the charges will apply in accordance with the legislation.

- 7.7 In carrying out its functions, the Council must comply with the public sector equality duty set out in section 149 Equality Act 2010. This requires it to have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, to advance equality of opportunity and to foster good relations between persons who share a protected characteristic and those who do not. This duty extends to all decision making including the setting of fees and charges and is reflected at paragraph 4 of the report.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- NONE.

### **Appendices**

- Appendix 1 – Discretionary Fees and Charges
- Appendix 2 – Statutory Fees and Charges
- Appendix 3 – Disability Related Expenditure Allowances

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- NONE.

### **Officer contact details for documents:**

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