

Cabinet 3 January 2024	 TOWER HAMLETS
Report of: Julie Lorraine Corporate Director, Resources	Classification: Open (Unrestricted)
Fees and Charges 2024-25 Report	

Lead Member	Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living
Originating Officer(s)	John Harrison, Interim Director of Finance, Procurement and Audit
Wards affected	(All Wards);
Key Decision?	Yes
Reason for Key Decision	Financial threshold
Forward Plan Notice Published	2 November 2023
Exempt information	None
Strategic Plan Priority / Outcome	All strategic plan priorities

Executive Summary

This report details the proposed changes to fees and charges across the Council for the financial year 2024-25.

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 8.7% & RPI 11.4% in April 2023) 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.

The general principle is that fees and charges are increased by RPI to match the level of inflation.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the proposed discretionary fees and charges as detailed in Appendix 1.
2. Approve the revised statutory fees and charges as detailed in Appendix 2.
3. Approve the continued delegation for amendments to fees and charges, including those to take account of the result of any Equality Impact Assessment that may be identified, to the relevant Corporate Director following consultation with the Lead Member and the Mayor.
4. Agree that all increases and new fees are implemented from 1st February 2024 where possible or as soon as practical thereafter and the strategy be endorsed and incorporated in the MTFS with a review of the strategy to be undertaken in 3 years' time.

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 have been reviewed, 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 (e.g. 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 supporting residents through the cost of living crisis and to improve life chances. This includes 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 three broad categories; Statutory, Discretionary and 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.
- 3.1.7 The general principle is that fees and charges are increased by RPI to match the level of inflation.

3.2 HEALTH AND ADULT SOCIAL CARE

Community Based Social Care Services and Residential Care Services (Appendix 1, section 1.1 and 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 A Standard Allowance rate, dependent upon age and category of disability benefit the client receives, is applicable, as per the table below

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

- 3.2.5 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.

Appendix 3 provides a list of additional Disability Related costs that can be claimed for, amounts considered in the financial assessment and evidence that is required to substantiate the expenditure claim.

3.3 CHILDREN'S SERVICES

School Meals (Contract Services) (Appendix 1, section 2.1)

- 3.3.1 The School Meals Service operated by Contract Catering 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 Catering 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 Catering 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 £2.90 from September 2024.

Schools receive funding for free school meal pupils at a far higher rate than the 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 continues the provision of universal primary school free meals. 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 £3.10 to £3.50 excluding VAT for 2024, this compares favourably when reviewed against other inner London Council charges and is in line with current CPI rates.

3.3.4 From April 2024 the recommended charge for a Secondary School meal will increase from £2.90 to £3.10 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.

Arts and Music (Appendix 1, section 2.2)

3.3.5 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 2024-25 for THAMES music services will be £4.80/£10.10 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 2.3)

3.3.6 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.

- 3.3.7 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.
- 3.3.8 The recommended charges for 2024-25, increased in line with inflation, are as follows: £9.00 per day for non-working parents, £20.10 or £25.10 per day (depending on level of income) for working parents between 9am and 5pm, and £22.30 or £27.90 (depending on level of income) for an extended day 8am – 6pm.
- 3.3.9 The LA Holiday Childcare provision for 2024-25 for non LBTH residents will be increased in line with inflation to £56.90 per child, per day.

Integrated Early Years Service (Appendix 1, section 2.4)

- 3.3.10 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.
- 3.3.11 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.
- 3.3.12 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.
- 3.3.13 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.
- 3.3.14 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 2.5)

3.3.15 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.

3.3.16 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.

Academy Conversions (Appendix 1, section 2.6)

3.3.17 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 for non-PFI schools and PFI schools have increased in line with inflation. 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 COMMUNITIES

Arts, Parks and Events (Appendix 1, section 3.1)

3.4.1 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 3.2)

3.4.2 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.

- 3.4.3 The borough's leisure centres are managed by Greenwich Leisure Limited. The fees and charges for leisure centre activities are currently proposed to increase from April one month in advance of the leisure services transferring back into direct Council control.

It is proposed to increase pricing in line with inflation.

Parking (Appendix 1, section 3.3)

- 3.4.4 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
- 3.4.5 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.
- 3.4.6 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

- 3.4.7 Currently we have 9 emission banding groups (A-G2), the proposal is to reduce the emission banding groups to 4 bands (1-4). This reduction is carried out by the combination of the current bandings excluding electric vehicles.
- 3.4.8 For band 1 (inclusive of motorcycles) we are proposing to increase the charge from £33.00 to £52.00. This increase is above inflation rate, which was calculated at £1.00 per week. This increase will be frozen for 2025/26.
- 3.4.9 For resident's blue badge holders there is no charge for a permit.
- 3.4.10 To introduce a new banding system (bands 1-3) for electric vehicles based on the battery size (kwh). This is to reflect the customer shift from higher emitting bands to electric band and the use of kerbside provisions.
- 3.4.11 For the surcharges on 2nd and 3rd permits within a household the proposal is to increase the charges by RPI.
- 3.4.12 Diesel Surcharges will increase at RPI.

Business and Doctors Surgery Permit

3.4.13 Currently we have 9 emission banding groups (A-G2), the proposal is to reduce the emission banding groups to 4 bands (1-4). This reduction is carried out by the combination of the current bandings excluding electric vehicles.

3.4.14 To introduce a new banding system (bands 1-3) for electric vehicles based on the battery size (kwh). This is to reflect the customer shift from higher emitting bands to electric band and the use of kerbside provisions.

3.4.15 Diesel Surcharges will increase at RPI.

Contractor and Public service Permits

3.4.16 Currently we have 9 emission banding groups (A-G2), the proposal is to reduce the emission banding groups to 4 bands (1-4). This reduction is carried out by the combination of the current bandings excluding electric vehicles.

3.4.17 To introduce a new banding system (bands 1-3) for electric vehicles based on the battery size (kwh). This is to reflect the customer shift from higher emitting bands to electric band and the use of kerbside provisions.

3.4.18 Diesel Surcharges will increase at RPI.

3.4.19 Proposed charges are inclusive of the all-zone surcharge.

Car Clubs

3.4.20 We provide 2 types of permits for car clubs

- Single Bay model
- Point to Point model

3.4.21 For the single bay model, the proposal is to increase the price by RPI.

3.4.22 For the point-to-point model we are proposing an increase by CPI.

Visitor Voucher

3.4.23 No changes to charges.

Paid for Parking – On Street

3.4.24 To increase all charges in line with RPI.

Paid for Parking – Off Street

3.4.25 To increase all charges in line with RPI.

Suspensions, Dispensation and Skip Licences

3.4.26 To increase all charges in line with RPI.

3.4.27 Skip license admin charge for 1-7 days increased above inflation to £30.00.

Administration Charges

3.4.28 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.

3.4.29 Currently the swap vehicle function is charged at a price of £10.00 we are proposing to increase this charge to £20.00 for the purpose of cost recovery in the administration of the change. This proposed fee will be frozen for 2025/26.

3.4.30 Furthermore, as part of the swap vehicle we are also proposing to include the change to vehicle details for the personalised disabled permit.

3.4.31 For the Traffic Management Orders administration fee, the proposal is to increase the price by RPI.

Bus Gateway Exemptions

3.4.32 To increase the charge for residents / unregistered carers and local GP's who meet eligibility above inflation to £32.

3.4.33 To introduce a reduced rate for blue badge holders and registered carers at a price of £24 (in line with RPI).

Waste Operations (Appendix 1, section 3.4)

3.4.34 Most of the commercial waste charges are not proposed to be increased. They were increased in 2022-23 to reflect increases in prices, but within a range that keeps the service competitive.

3.4.35 Following recruitment to key roles, the focus for the current year and 2024-25 is to increase market share at the current prices, re-introduce time-bands, and enhance enforcement activity.

Operational Services (Appendix 1, section 3.5)

3.4.36 It is proposed to increase the fee for supply of composters in line with inflation (for two years due to the oversight of no inflation increase being applied in 2023-24) and increase the fees for wormeries above inflation to rebase the discount residents receive to a 50% discount.

Transportation and Highways (Appendix 1, section 3.6)

3.4.37 Fees are proposed to be increased by inflation and appropriate rounding.

3.4.38 Tower Hamlets has some of the highest projected growth figures, in development terms, of any other local authority in London. Resources within our service teams engaged in post planning review, approval and monitoring of developments are stretched and unable, in current form, to offer adequate oversight of these processes. The new Construction Management Plan (CMP) fee charge will directly tackle this issue to create the resources required and have better coordination.

Street Trading (Appendix 1, section 3.7)

3.4.39 The Council charges fees to traders at markets in the borough.

3.4.40 Revenue from the markets funds the service operation, providing officers to manage and administer the markets along with cleansing and waste activities.

3.4.41 A benchmarking exercise with neighbouring boroughs last financial year showed that Tower Hamlets had the lowest fees for permanent traders.

3.4.42 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.

3.4.43 In 2023-24 fee increases were introduced 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. This increase was from the Spring 2022 Consultation

3.4.44 The recommendation is for an increase in the main of 3.1%, this is below inflation at time of writing, it is set to recover inflationary increases to staff costs and waste recharge costs.

3.4.45 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 trader waste collection, cleansing attributable to street trading and the administration and enforcement of the Act.

Environmental Health and Trading Standards (Appendix 1, section 3.8 and Appendix 2, section 6.3)

3.4.46 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.

- 3.4.47 The fee for Food Hygiene re-inspections has been increased by 22% to £260 which now sets the fee in line with the average fee currently charged by neighbouring councils.
- 3.4.48 The mail forwarding registration fee has been increased by 14%, so that the original registration is more than a renewal.
- 3.4.49 The annual fee for Special Treatment licences and lasers has been increased by 33% and 13% respectively to assist with cost recovery, and to be in line with the average fees charged by neighbouring councils.
- 3.4.50 The private rented statutory enforcement notices have been increased from £589 to £741 to recognise the increase costs of issuing these notices.

3.5 HOUSING AND REGENERATION

Planning and Building Control (Appendix 1, section 4.1)

Planning and Building Control

- 3.5.1 Planning and Building Control is a largely income funded service and with the wider economy struggling and activity throughout the development pipeline having slowed down, it remains challenging for the Division as scheme proposals are not coming forward or are being delayed. It is therefore hard to gauge the appetite for increased fees within the industry at present from planning through to building control and to street naming & numbering. Where we can we have benchmarked with our nearest neighbours/groups and have looked at our costs with a view to covering these and increasing fees where we believe there is scope. Nationally, the government has also recently announced that it will be introducing increases up to 35% to its statutory planning fees which is good news and will be helpful to our income streams as long as activity picks up. These increases are being reflected in the statutory fees section and will increase annually by a maximum of 10% from April 2025.

Development Management

- 3.5.2 The service has taken a close look at its pre-application fees as it does each year and has reviewed these against our nearest neighbours. Where these were below benchmarked levels they are proposed for increases and one or two have been amended to reflect changes in demand. For example, for initial in principle meetings with a developer team, fees have been reset and the fees are increasing if the Head of Service and/or Director attends. Other planning discretionary fees have been increased in recent years and remain high when benchmarked so for 2024-25, on balance, we are proposing inflation only increases.

Strategic Planning and Infrastructure Planning

3.5.3 In Strategic Planning, the new Conservation Area Design Advisory Panel (CADAP) fees are now active and in use so we have been able to review them in operation. We remain at the apex of the benchmarking group but we are proposing to increasing the initial meeting fee to ensure that we have cost recovery as these are demanding in execution, organisation and administration. This fee is proposed to go up by 15% with the others by inflation to ensure costs are covered. Infrastructure Planning secure income via Community Infrastructure Levy (CIL) and s106 so only have a few operational fees in the schedule. These have been increased where practicable to do so. Others to assist with affordable housing viability have been reduced.

Building Control

3.5.4 The market remains intensely competitive for Building Control work so most fees remain inflation only increases due to competition. There are some areas where when benchmarking to nearest neighbours we have scope to increase fees so these will be adjusted. However, the biggest change comes from the new Building Safety Act 2022 and the introduction of the Building Safety Regulator (BSR) regime. The council, as part of its response to fire safety post-Grenfell, is committed to significant growth in this area to support the establishment of an enhanced Building Control service and the creation of a number of senior Registered Building Inspector posts. There will be work streams on higher-risk buildings which should be positive for building control income in the future as, subject to capacity, we will be invited to undertake work in our Borough first by the BSR. A new hourly rate which will take effect from April 2024 has been developed and will be charged out for BSR work.

Other Fees

3.5.5 The Council is losing some responsibility for part of the Local Land Charge process in 23-24 so fees are remaining inflation only until we get confirmation of its transfer over to HM Land Registry at which point, we will be able to review fee levels. Recent benchmarking highlights that we are still towards the top of our benchmarking group. Street Naming & Numbering fees have not been increased in recent years, especially as a new service has established itself. Recent benchmarking has revealed that there is scope for us to raise some fees significantly, so we remain towards the top of our benchmarking group. A new fee is also being piloted for the first time in 2024-25 when we propose to introduce a fast track service for developments of a certain size, especially those with affordable housing so we can retain as much speed within the system as we can manage.

Venue Hire (Appendix 1, section 4.2)

3.3.1 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. These sites are also advertised 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.

- 3.5.1 Should any of the community hubs remain the responsibility of Facilities Management in 2024-25, 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. The council propose to support the joint management with Facilities Management with a community group. It is expected the income for this site would be managed by the community group.

3.6 RESOURCES

Registration of Births, Deaths & Marriages (Appendix 1, section 5.1)

- 3.6.1 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.
- 3.6.2 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 5.2)

- 3.6.3 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.
- 3.6.4 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. These factors have been taken into account when setting the charges.

Idea Store and Idea Store Learning (Appendix 1, sections 5.3 and 5.4)

- 3.6.5 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 5.5 and Appendix 2, 6.8)

- 3.6.6 When acting as property & affairs Deputy, an increase may be applied to the fees charged by the managing authority; the Ministry of Justice and the Court of Protection, as directed by Practice Direction 19B. The Local Authority must charge the appropriate fee as instructed under this practice direction.
- 3.6.7 The money management fee for Appointee clients is 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. These charges are set by the Court of Protection and Ministry of Justice and notification may be received that they are increased by early in the new financial year. No increase is proposed at this stage until an increase is imposed by the managing authorities for immediate implementation.
- 3.6.8 The CFA Service deals with estates when a client passes away for the following reasons: a) when there is no next of kin able to deal with the estate, b) the next of kin may not want to deal with the estate, c) during the period while the Service is trying to locate next of kin, and d) 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). The charge has been uplifted for the recent pay award that has been announced.
- 3.6.9 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. This charge was introduced for 2023-2024 and will continue to 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.
- 3.6.10 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 and Adult Social Care. 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 and banking platform.

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. Our vision for Equality is to build a strong, inclusive and fair borough, addressing inequalities through our work and ensuring that our workforce reflects the community. Tower Hamlets is a borough of contrasts. It's one of the fastest growing, youngest, and most diverse populations in the UK. It's also the most densely populated borough in England and Wales. It's a borough with phenomenal opportunity and resource, though this resource is not shared equally. Gross Domestic Product in 2021 was £40.26bn, more than Birmingham or the City of Manchester. While deprivation has fallen, it remains a key challenge facing our residents, further compounded by the current cost of living crisis. According to the 2019 Indices of Multiple Deprivation, 60 per cent of the borough still live in the 30 per cent most deprived parts of England.
- 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.
- 4.6 There are several new fees and charges as well as increases to fees and charges above inflation (and appropriate rounding). Equality Impact Analysis (EIA) Screenings were undertaken on all the proposed changes to, and introduction of new, fees and charges. A full Equality Impact Analysis will need to be carried out where screening indicates one is required to determine if there are any disproportionate impacts on persons who share a protected characteristic, and where appropriate, identify and take actions to mitigate against the potential impact.

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 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 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 section 93 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.

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.

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