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| Cabinet | AGENDA ITEM No. 11 |
| 14 NOVEMBER 2022 | PUBLIC REPORT |

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|--------------------------------|--|-------------|
| Report of: | Corporate Director of Resources and S151 Officer | |
| Cabinet Member(s) responsible: | Councillor Andy Coles, Cabinet Member for Finance and Corporate Governance | |
| Contact Officer(s): | Cecilie Booth, Corporate Director of Resources and S151 Officer | Tel. 452520 |

FEES, CHARGES, AND INFLATION REVIEW

| RECOMMENDATIONS | |
|--|---------------------------|
| FROM: Cabinet Member for Finance and Corporate Governance | Deadline date: N/A |
| It is recommended that Cabinet endorses the increases in Fees and Charges as outlined in this report and recommends adoption to Full Council for immediate implementation. | |

1. ORIGIN OF REPORT

- 1.1 An annual review of Fees & Charges comprises part of the Council's Budget setting process. Due to a range of pressures around the budget setting process for 2022/23, a full review was not undertaken. This report proposes that inflationary increase as identified in this report are introduced asap in the 2022/23 financial year, and the proposed 2023/24 increases are incorporated in the Medium-Term Financial Strategy (MTFS) and the 2023/24 budget setting report.

2. PURPOSE AND REASON FOR REPORT

- 2.1 This report provides the conclusion of the comprehensive review of fees and charges and proposes inflationary increases wherever possible for the 2022/23 and 2023/24 financial years.

This review provides a consistent approach in setting, monitoring, and reviewing fees and charges across all services. This will ensure that fees and charges support Council objectives and are set at a level that maximises income generation.

3. TIMESCALES

| | | | |
|---|-----------------|---|-----------------|
| Is this a Major Policy Item/Statutory Plan? | YES | If yes, date for Cabinet meeting | 14/11/22 |
| Date for relevant Council meeting | 07/12/22 | Date for submission to Government Dept. (Please specify which Government Dept.) | N/A |

4. BACKGROUND AND KEY ISSUES

4.1 The Council should review fees and charges annually as part of the budget setting framework. Due to a range of pressures around the budget setting process for 2022/23, a full review was not undertaken at the time, so this report proposes that inflationary increase is introduced asap in the 2022/23 financial year, and the proposed 2023/24 increases are incorporated in the 2023/24 budget setting report. August CPI (10.1%) is considered in the current financial year wherever feasible. This ensures that fees and charges support Council objectives and are set at a level that maximises income generation.

It should be noted that some statutory fees and charges are set nationally and therefore not subject to individual review.

If the proposed fees and charges are introduced, with immediate effect, additional income of £0.3m could potentially be generated in 2022/23 and £0.8m in 2023/24. This will be built into the 2023/24 cash limit work currently being undertaken. Table 1 outlines the respective services where additional may be generated.

Work is currently underway with plans to raise parking fees in year with CPI. Once agreed by Cabinet, updated signage and Traffic Regulations Orders (TRO) will commence to allow for this. This will require 28 days from approval to come into effect and additional income proposed in this report are expected to flow from November 2022. Next year full impact of the proposed 10% increase is based on this and we will look to revise from Q2 2023/24 if there is scope to increase further assessing the current rate of CPI then.

Cabinet has already approved the parking strategy, which includes new charges for Electric Vehicle charge, including those solely for taxi and private license use.

There are 17 Council owned public charging points in place in five locations in car parks across the City Centre and there will shortly be four rapid chargers for taxis and private hire vehicles. In the past, the Council has offered both free parking and free electricity to users. In the current economic climate, this is no longer affordable.

It is therefore recommended that Cabinet approve the proposed parking charges to be implemented across all electric vehicle charging bays consistent with the specified parking fee at any given location; and implement a charge for the power consumed whilst using the charging facility, to cover full costs and in line with current charges in other local authority areas. It is anticipated, once charging has commenced, it is very likely that the vehicles currently benefiting from free electricity will stop using the charge points and after a period, EV charging is expected to find its level. It will take a few months of monitoring to understand the changes in usage. This is to be expected whenever new charges are implemented for the first time. The expected income for EV charging included in this report is predicted based on best available data at this time.

It should be noted that the proposed increases mainly relate to car parking charges and may reduce public use. Table 2 summarises the specific increases relating to parking charges.

Table 1: Summary of additional fees and charges income

| Directorate | Area | 2022/23 Total £ | 2023/24 Total £ |
|-----------------------------|---|--------------------|--------------------|
| Customer & Digital Services | Communications | 1,339 | 5,400 |
| Customer & Digital Services | Health & Safety and Resilience & Risk | 125 | 500 |
| Governance | Land Charges | 3,570 | 14,000 |
| Governance | Mayoralty/Civic | 130 | 523 |
| People & Communities | ASC Day Opportunities | 454 | 1,153 |
| People & Communities | ASC Finance Operations | 0 | 19,122 |
| People & Communities | ASC ISP | 0 | 0 |
| People & Communities | Children Homes | 18,138 | 43,531 |
| People & Communities | Education | 0 | 3,020 |
| Place & Economy | Archaeology Services | 0 | 950 |
| Place & Economy | Asset Management | 0 | 450 |
| Place & Economy | Housing & Healthy Living - Housing | 2,190 | 6,690 |
| Place & Economy | Parking Services | 79,160 | 237,480 |
| Place & Economy | Parking Services - Electric Vehicle Non-Rapid Charging | 67,276 | 134,552 |
| Place & Economy | Parking Services - Electric Vehicle Rapid Charging | 78,187 | 156,374 |
| Place & Economy | Peterborough Highway Services | 250 | 390 |
| Place & Economy | Street Work | 0 | 7,425 |
| Place & Economy | Transport and Development | 2,880 | 0 |
| Resources | Citizenship Services | 0 | 626 |
| Resources | Peterborough Cemeteries - Interment Fees & rights of burial | 12,995 | 51,979 |
| Resources | Peterborough Crematorium | 28,505 | 114,021 |
| Resources | Peterborough Crematorium - Memorial Sales | 1,048 | 4,190 |
| Resources | Registration Services | 0 | 4,729 |
| Grand Total | | 296,247 | 807,106 |

Table 2: Parking Charges

| Type of Parking | 2022/23 Total £ | 2023/24 Total £ | Change |
|-------------------------------------|--------------------|--------------------|--|
| Car Parks | 53,710 | 161,130 | 10% increase |
| Pay and Display | 10,560 | 31,680 | 10% increase |
| Residents Permits | 8,440 | 25,320 | 10% increase |
| Season Tickets | 3,040 | 9,120 | 10% increase |
| Staff Permits | 3,410 | 10,230 | 10% increase |
| Electric Vehicle Rapid Charging | 78,187 | 156,374 | New charge – enforceable from Nov 2022 * |
| Electric Vehicle Non-Rapid Charging | 67,276 | 134,552 | New charge – enforceable from Nov 2022 * |
| Parking Services Total | 224,623 | 528,406 | |

Table 2 above assumes 10% increase in-year during 2022/23 from November 2022 and a full year increase of 10% in 2023/24.

5. CONSULTATION

5.1 The review of Fees and Charges review is part of the budget setting framework.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 The Council is expecting to generate additional income of £0.3m in-year during 2022/23 and £0.8m for 2023/24.

7. REASON FOR THE RECOMMENDATION

7.1 The outcome of this review will support the Council in setting a lawful and balanced budget for 2023/24 and increase income in the current year 2022/23.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 Keep fees and charges as per current, however, this is not affordable in the short or medium term as the Council has an increasing budget shortfall.

9. IMPLICATIONS

Financial Implications

9.1 The council is expecting to generate additional income of £0.3m in 2022/23 and £0.8m in 2023/24.

Legal Implications

9.2 Some services are mandatory and governed by specific legislation, and there are some statutory fees and charges which are set nationally. Other services are discretionary, and fees and charges can be set locally. The Council has a general power to charge for discretionary services

under Section 93 of the Local Government Act 2003 (“LGA 2003”) and under the power of general competence found in Section 1 of the Localism Act 2011 (“LA 2011”).

The Council must not charge for a service if legislation prohibits it from doing so. If legislation requires the Council to provide a service and to charge for it, we are required to do so. In the absence of specific powers or prohibitions on charging for services, the Council may use the powers in either s93 of the Local Government Act 2003 or s1 of the Localism Act 2011 to make charges for discretionary services. The Council cannot use these powers to make a profit, however the Council can include the full cost of all aspects of the service provision when calculating the costs.

Equalities Implications

- 9.3 There are not anticipated to be any equalities implications

Carbon Impact Assessment

- 9.5 Implementing a charge for electric vehicle charging may result in a decreased use of Council owned electric vehicle charging infrastructure. Drivers may choose to charge their vehicles at home, thereby reducing the Council’s electricity costs.

10. BACKGROUND DOCUMENTS

- 10.1 Link to Council meeting on 2nd March 2022 for full review of fees and charges to be undertaken (page 44)

<https://democracy.peterborough.gov.uk/documents/b12206/220302%20Council%20Additional%20Information%20Pack%2002nd-Mar-2022%2018.00%20Council.pdf?T=9>

Link to Council meeting - record of outcomes on 2nd March 2022 for full review of fees and charges to be undertaken (page 1)

<https://democracy.peterborough.gov.uk/documents/g4596/Decisions%2002nd-Mar-2022%2018.00%20Council.pdf?T=2>

Link to Parking Strategy – July 2022

[Implement Recommendations from the Peterborough Parking Strategy.pdf](#)

11. APPENDICES

- 11.1 Appendix 1 – Full Fees and Charges Schedule

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