

Resources - Finance  
222 Upper Street  
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Report of: Executive Member for Finance, Planning and Performance

Meeting of: Executive

Date: 30 November 2023

Ward(s): All

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## Subject: General Fund Fees and Charges Review

### 1. Synopsis

- 1.1. This report proposes the annual increase to fees and charges across a variety of General Fund (GF) functions. This is in the context of sustained, historically higher levels of inflation and the resultant increased costs of service provision.
- 1.2. It is proposed that all fees and charges are increased by the September 2023 CPI rate (6.7%) on 1 January 2024, unless otherwise stated.
- 1.3. Greenwich Leisure Limited (GLL) charges and any subsequent amendments to the agreed fees and charges within this report will be considered as part of the budget report to Executive on 8 February 2024.
- 1.4. Housing Revenue Account (HRA) charges will be considered as part of the budget report to Executive on 8 February 2024.
- 1.5. Based on the fees and charges policy, the GF discretionary fees and charges for the increase are set out at **Appendix A1-3**.

### 2. Recommendation

- 2.1. To review and agree the fees and charges policy and the GF fees and charges detailed at **Appendix A1-3**.

### 3. Fees and Charges Policy

- 3.1. Some fees and charges are prescribed by statute and are not within the council's power to vary locally. Other fees and charges are discretionary and are set as part of the annual budget setting process.
- 3.2. In setting the fees and charges policy, consideration is given to the current level of inflation in the economy as well as the level of inflation expected to prevail over the forthcoming financial year.
- 3.3. The most widely used measure of inflation is CPI, currently at 6.7% (September 2023 CPI). It is proposed that all fees and charges are increased by the September 2023 CPI rate from 1 January 2024, unless otherwise stated.
- 3.4. **Appendix A** includes charges to be increased from January 2024.
- 3.5. Some fees will not increase by CPI inflation. Reasons for variation from the standard uplift include separate council policy, cost recovery, price elasticity of demand, benchmarking with alternative providers and rounding for efficiency of collection.

### 4. Greenwich Leisure Limited (GLL) Charges

- 4.1. These charges are currently being reviewed by GLL and will be considered as part of the budget report to Executive on 8 February 2024. These charges do not give rise to a GF saving as GLL receive the income from which they pay Islington the rent/fee specified in the contract.

### 5. Cemeteries Charges

- 5.1. Cemeteries charges are included in the schedule at **Appendix A**, but they do not give rise to a GF saving as the income is ringfenced.

### 6. Registrars Charges

- 6.1. The Registrars charges are included in **Appendix A** and include additional charges for ceremonies that are booked to take place in the 2025/26 and 2026/27 financial years to account of future years' increased costs.

### 7. Childcare Charges

- 7.1. Islington Council subsidises childcare for children aged 6 months and above, in all its children's and early years centres and in a number of voluntary sector community nurseries.
- 7.2. Childcare charges are increased in September in line with the academic year and are set on a three-year basis. The most recent set of graduated increases was agreed by Executive on 18 May 2023 and came into effect in September 2023.
- 7.3. Childcare charges are included in the schedule for reference at **Appendix A3**.

### 8. New Charges for 2024

Category	Fee/Charge Detail and Unit	1 January 2024 Price (£)
<b>Community Wealth Building – Community Financial Resilience</b>		
Adult Social Service – Admin Fees	Administrative fee for adult social care self-funders	New charge to be calculated expected date April 2024
Adult Social Service – Admin Fees	Administrative charge for Appointeeships (community-based clients) weekly	10.00
Adult Social Service – Admin Fees	Administrative charge for Appointeeships (clients within a care home) weekly	5.00
Protection of Property – Pets	Vaccination fee incl. transportation	61.00
Protection of Property – Pets	Dog - Rehoming fee	52.00
Protection of Property – Pets	Cat - Rehoming Fee	32.00
Protection of Property – Pets	Cat - Per day or part thereof	12.50
Protection of Property – Pets	Dog - Per day or part thereof	16.50
<b>Community Wealth Building – Planning &amp; Development</b>		
Pre-Application & Other Advice	Workshop Chair with 2 to 3 panel members	4,500.00
Pre-Application & Other Advice	Follow up review (following a workshop)	4,500.00
Pre-Application & Other Advice	Complex small scale Scheme review - 1 Chair and 2 panel members	3,500.00
Pre-Application & Other Advice	Small and medium scale public realm and landscaping review	3,500.00
Pre-Application & Other Advice	Chairs review - 1or 2 chairs or 1 chair and 1 panel member	3,000.00
Pre-Application & Other Advice	Small scale minor charge for written advice only	927.21
<b>Environment and Climate Change – Business Improvement and Performance</b>		
Land Charge LA Searches	Local Land Charges (LLC1) Additional Parcel	2.00
<b>Environment and Climate Change – Environment and Commercial Operations</b>		
Pay & Display Tariffs	Peak Charging - per session booked between 10am and 1pm	1.00
Parking Suspensions	New infrastructure suspension discount - First day	176.75
<b>Resources – Law and Governance</b>		
Other Residential and Commercial Work	Per Hour (up to maximum £10,000, subject to complexity)	£185.00
Planning Work Fee	Per Hour (up to maximum £40,000, subject to complexity)	£300.00

## 9. Implications

### 9.1. Financial Implications

- 9.1.1. Historically high levels of inflation have resulted in increased costs of service provision. The proposal to increase the majority of charges by September CPI (6.7%) enables services to recover costs and operate in a high inflation economic environment.
- 9.1.2. Additional forecast income resulting from increases in fees and charges will be factored into the 2024/25 budget report estimates.
- 9.1.3. Additional income from parking charges is ringfenced within the Parking Account (which is used to fund investment in road infrastructure, accessible transport and concessionary fares). Furthermore, cemetery charges do not give rise to any GF savings as the income is ringfenced.

### 9.2. Legal Implications

- 9.2.1. Some services the council provides are mandatory and governed by specific legislation whilst other services provided are discretionary. Discretionary Services are those which the council is permitted to provide but not required to provide.
- 9.2.2. The Council has a general power to charge a person 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”).
- 9.2.3. The overall position on charging is that 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, then 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 legitimately recover a modified form of total cost that includes overheads.
- 9.2.4. In reviewing the fees and charges, the Council need to have due regard to the overarching Public Sector Equality Duty as set out in the Equality Act 2010 and it is noted that the Directorates will be undertaking equality impact assessments as appropriate.

### 9.3. Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

- 9.3.1. Fees and charges act as a mechanism to influence the behaviour of residents and businesses which can result in both positive and negative environmental implications. The fees and charges included in this report affect various services across the council and have been developed in line with the council’s overall strategy.
- 9.3.2. All permit charges for motorised vehicles are being increased which supports the council's policy of encouraging a shift towards more active sustainable methods of travel, such as walking, cycling and public transport.

- 9.3.3.** The increase in permit charges for motor vehicles will continue to encourage a shift to cleaner forms of private transport such as electric vehicles, where permit prices remain relatively lower than those for combustion engine vehicles. Along with the ULEZ, costs will be higher for older, more polluting vehicles than newer ones with more fuel-efficient technology. Although the proposed increases slightly reduce the percentage differential between the vehicle bands for both electric vehicles and combustion engine vehicles, the overall structure of the tiered system should continue to encourage people to consider the size and fuel of vehicle they use.
- 9.4. Any surplus generated from parking income is invested in funding the Freedom Pass and wider transport and highways schemes that align with the Council's Net Zero Carbon (NZC) and Transport Strategies.
- 9.5. The increase in Paid for Parking charges will encourage a shift towards more active sustainable methods of travel such as walking, cycling and public transport. The increases may encourage people to consider their modes of private vehicle ownership with increases in the diesel surcharge and petrol emission surcharge. The current EV maximum charge has been removed. However, it remains cheaper to park an EV in a paid for parking bay than a combustion engine vehicle. Therefore the charges continue to incentivise EV use whilst acknowledging that they have a greater impact on the environment than walking, cycling and public transport.
- 9.6. Fees for cycle hangars are not proposed to increase, in order to support the council's policy of encouraging active travel.
- 9.7. Most of the other fees and charges proposed may have a neutral effect in that most are being adjusted in line with inflation only.

### **Equalities Impact Assessment**

- 9.7.1. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Summary Equalities Impact Assessment was completed on 12 October 2023. Individual Equality Impact Assessments have also been completed for specific service areas. The main findings are that the increase in fees and charges will generally impact external customers including residents and businesses. Any potential negative impacts will be mitigated by the council's response to the cost-of-living crisis. Where fees and charges are designed to offer concessionary rates to groups with protected characteristics, these have been considered and increases have been designed to accordingly to minimise impact. The full Summary Equalities Impact Assessment can be found in **Appendix B**.

## 10. Conclusion and reasons for recommendations

- 10.1. In setting the fees and charges policy, consideration is given to the current level of inflation in the economy as well as the level of inflation expected to prevail over the forthcoming financial year.
- 10.2. This report proposes the annual increase to fees and charges across a variety of General Fund (GF) functions. This is in the context of sustained, historically higher levels of inflation and the resultant increased costs of service provision.
- 10.3. It is proposed that all fees and charges are increased by the September 2023 CPI rate (6.7%) on 1 January 2024, unless otherwise stated.

### Appendices:

- **Appendix A1 – General Fund Sales, Fees and Charges - January 2024 Increase**
- **Appendix A2 – Registrars Fees and Charges – January 2024 Increase**
- **Appendix A3 – Childcare Fees and Charges**
- **Appendix B – Summary Equalities Impact Assessment**

### Background papers:

- None

### Final report clearance:

Signed by:

### **Executive Member for Finance, Planning and Performance**

Date: 21 November 2023

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