

**Fees and Charges 2023/24****Report by Kevin Anderson, Executive Director Place****Report for Decision****1 Recommendations**

Council is recommended to:

- a. Approve the fees and charges register with all changes to come into effect from 1 April 2023 (Appendix B), noting that the implementation date will be delayed for those at 3.11, 3.13, 3.14, 3.15, 3.17 and 3.18 for the reasons explained;
- b. Agree to the publication of the approved fees and charges register on the Council's website;
- c. Note the fees and charges that were agreed at Council on 21 February 2023 as part of the Medium Term Financial Strategy which are listed at 3.3;
- d. Note the supplementary information on implementation of the fees and charges agreed at Council on 21 February 2023 (as outlined in 3.4 – 3.12);
- e. Agree to establish a one year Transition Fund to support the increased licence costs for community events (as detailed in 3.5-3.7), and agree that this will be administered by the Executive Director Place;
- f. Agree to adopt the revised guidance from Scottish Ministers to increase the penalty charge notices to the prices detailed at 3.13 and 3.14;
- g. Agree to receive an events charging policy in Q2 2023/24 for consideration and approval as detailed at 3.17; and
- h. Agree to receive a sponsorship and advertising policy for consideration and approval in Q2 2023/24 as detailed at 3.18.

**2 Purpose of Report/Executive Summary**

This report details the fees and charges that the Council will implement from 1 April 2023.

**Date** Tuesday 28 February 2023

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### 3 Background/Main Body of Report

3.1 While charges for services make up a relatively small part of the council's income, they can be very significant to people who use services. Charges are one of the few ways that are within councils' control to raise income locally. Councils have discretion in the way that they apply their fee policy and charging should reflect local priorities and be proportionate as well as contribute to good financial management.

3.2 It is good practice for Council's to regularly review their fees and charges to ensure that they are achieving cost recovery and delivering value for money. Appendix B lists the current charges for 2022/23 and the proposed revised charges for 2023/24 with additional information on the rationale, where required. It should be noted that some charges are statutory and these have been identified on the register. Some fees and charges have been agreed as part of the Medium Term Financial Strategy and further information is detailed below.

#### **Fees and charges agreed at 21 February 2023**

3.3 At its budget setting meeting on 21 February 2023, Council reviewed a number of fees and charges to inform the budget setting process. The following fees and charges were agreed for implementation from 1 April 2023 and are highlighted in green in Appendix B:

- Civic licensing fees to reflect full cost recovery
- Discretionary charge for Planning Service
- Building Standards increased fees for non-statutory duties
- Business Regulation – new charges introduced
- Burials income raised to Scottish Average value
- Increase Garden Waste fee in 2024/25
- Road Construction Consent charge to developers
- Increase penalty charge notices
- Electric vehicle charging
- Street naming and numbering fees increase
- Safety Advisory Group coordination fee
- Location and vehicle advertising

#### 3.4 Civic Licensing fees

Civic licensing fees will be implemented from 1 April 2023 and the full list of new charges are shown in Appendix B. These charges are separate from licensing charges which can only be set by the Licensing Board, and a review of these will be undertaken in Q1 2023/24. Recommendations for increases to these fees will be presented to the Licensing Board for consideration. This increase has an estimated additional income value of £50k for 2023/24.

- 3.5** The increase in civic licences includes Public Entertainment Licences (PELs) which are required for community groups to hold gala days/community fun days, community fireworks events and Christmas light switch on events. It is acknowledged that many of these events are volunteer led and rely on fundraising throughout the year to cover costs. Most gala day committees/organisations will have planned and budgeted for their summer events prior to today's Council meeting; and will not have had the opportunity to include increased licence costs into their forecast spend. To avoid any negative impact on this years' events, recognising the significant value these have on community cohesion and the hard work of volunteers to hold these whilst still recovering from COVID, it is proposed that a one year Transition Fund be established for community groups to access to cover the increased costs in licence fees. Allocation would be determined by the Executive Director Place, and would be administered as a supplementary increase to the existing gala day grants.
- 3.6** A high level assessment has taken place and has determined that from the events that take place annually across Midlothian that receive a gala day grant, 5 already have a three year PEL in place and would not be subject to any price increase this year. For the remainder that would take place this year, it is anticipated that based on previous applications, 75% would apply for a 1 year Temporary PEL and 25% would apply for a 3 year PEL. It is proposed that the Transition Fund would cover the cost difference if the application had been made at the 2022/23 prices compared to the 2023/24 prices. All eligible gala day/community event organisations will be offered the opportunity to apply for either a Temporary PEL or 3 year PEL at the 2022/23 prices and the appropriate Transition Funding will be added to their gala day grant allocation. The estimated costs are between £1100 - £2500 (with the lower amount based on a 75%/25% ratio of Temp PEL to 3 year PEL; and the higher amount based on all opting for a 3 year PEL). The additional costs to establish the Transition Fund can be covered from existing budgets within the Place Directorate.
- 3.7** As the Transition Fund is available for the 2023/24 year only, officers will work with community groups to identify opportunities for sponsorship from local businesses to support these events going forwards; as well as a review of the gala day grant allocation process and other in-kind options to support gala days/community events that offsets some of the costs incurred by the groups to deliver these events and make them more sustainable.
- 3.8** Discretionary charges for Planning and Building Services  
The Planning Service discretionary charge and the Building Services increased fees for non-statutory services are listed in Appendix B as variable. This will depend on the service provided and a full fees charter for both services will be published on the Council's website. It is estimated that this will generate an income of £16k for 2023/24.

### **3.9 Business Regulation charges**

The Business Regulation Team will apply new administration charges for the issuing of food hygiene certificates for premises looking for a premises licence under Section 50 of the Licensing (Scotland) Act 2005, and Certificates of Compliance for street trading vehicles under Section 39 Civic Government Scotland Act. This new charge has an annual estimated income value of £1.3k.

### **3.10 Burial charges**

All burial fees will increase to the Scottish Average value. This has been benchmarked across other Scottish Local Authorities to ensure that the revised prices are equitable. It should also be noted that burial and lair charges have been reviewed and the previous two tiered pricing for Midlothian residents and non-residents is to be replaced with a single fee structure from 1 April 2023. Burials that take place prior to 10.30am on Tuesday, Wednesday and Thursday will be charged at a reduced rate which equates to 25% less than the new adult burial fee. The estimated income value for 2023/24 is an additional £80k.

### **3.11 Garden Waste**

Following an amendment from the Business Transformation Steering Group, Council at its meeting of 21 February 2023, agreed to increase the Garden Waste fee to £40.00, noting implementation would be in Q3 2023/24 with a full year estimated income of £25k in 2024/25.

### **3.12 Road Construction Consent**

Section 21 of the Roads (Scotland) Act 1984 (the Act) requires that any person or organisation who seeks to construct a new road, or an extension of an existing road, must first obtain a Road Construction Consent (RCC). This is additional to planning consent. Before commencement a developer must first lodge security with the Council in the form of a road bond or cash to cover the cost of providing the roads to the standard set out in the RCC if the developer is unable to do so. Depending on the size of the development the road bond value can reach around £2m but is more typically around £0.5m. Section 140 of the Act gives the Council the power to recover costs for inspecting roads which are constructed by developers. These inspections are performed by officers in the RCC and Street Lighting teams during the construction process to ensure that the road is built in accordance with the consent. Charging will be applied on a two tier basis. For bonds lodged prior to 1 April 2023, the hourly rate for officers to undertake inspections will rise from £42.81 (current rate) to £77.70 (full cost recovery) until completed and discharged. For all RCCs, instead of an hourly rate a fixed fee of 4.5% of the bond value will be applied. It is estimated that the revisions to the charging process will generate an additional £93k of income in 2023/24.

**3.13 Penalty charge notices**

On 17 February 2023, Transport Scotland notified all Local Authorities of revised guidance (effective 1 April 2023) following a review of penalty charge notice (PCN) for parking enforcement. The revised guidance is only applicable to those local authorities in Scotland which have a decriminalised parking regime (of which Midlothian Council is one). The Scottish Government undertook a public consultation which considered the levels of fines associated with PCNs and published the [analysis of the responses](#) in September 2022. At the time it was determined inappropriate to raise the PCN levels; however following a review, Scottish Ministers have issued the revised guidance which includes revised levels of the maximums that can be charged for PCNs.

**3.14** The new charges will be increased from the current charge of £60.00 (£30.00 if paid within 14 days) to the new charge of £100.00 (£50.00 if paid within 14 days). The parking attendants and administration of PCNs is undertaken by NSL and City of Edinburgh Council on behalf of Midlothian Council. Discussion is taking place between all parties on the practical measures that are required to implement the new charges. Therefore this charge will be implemented during the 2023/24 financial year when the administrative processes are finalised. It is estimated that the additional income will be £100k for a full year and the income realised for 2023/24 will be pro-rata.

**3.15 Electric Vehicle charging**

The Electric Vehicle charging proposals to increase charges cover service costs including maintenance. Benchmarking carried out against other local authorities and private sector providers shows that Midlothian is charging less for both rapid and fast and slow chargers. Guidance received from Scottish Futures Trust provided further insight into current and planned charging prices. From consumption data from the most recent full financial year (2021/22) it is estimated that increasing the charges as per Appendix B will raise an additional £18k of income in 2023/24.

**3.16 Street naming and numbering**

A 15% increase in all street naming and numbering fees, including naming of a new street, allocation of a house name or renumbering/change of address and scaled charges for the naming and numbering of new properties or alternations to existing properties. Charges for street naming and numbering have been benchmarked with other local authorities. It is estimated that this increase will achieve an additional £19k of income in 2023/24.

### **3.17 Safety Advisory Group co-ordination fee**

The Safety Advisory Group co-ordination fee will only be applied for commercial events and will not apply to community organised events. No charges are listed in Appendix B. A full charging policy will be presented to Council in Q2 2023/24 for final approval prior to implementation in the 2023/24 financial year. It is estimated that a full year charging would achieve £25k income (noting that the charging will be applied in-year for 2023/24 and a full year will not take effect until 2024/25).

### **3.18 Location and advertising**

Council agreed to progress location and vehicle advertising to generate an estimated income of £10k in its first full financial year. Work is underway to develop the Council's sponsorship and advertising policy and this will be presented to Council in Q2 2023/24 for approval and implementation.

## **4 Report Implications (Resource, Digital and Risk)**

### **4.1 Resource**

No resource impact to develop the fees and charges register. Individual income generation proposals included within the register are subject to their own resource impact assessments and costs associated with resourcing are considered in the estimated income values. There is an additional cost of £1,100.00 - £2,500.00 to establish the Transition Fund which will be met from existing budgets.

### **4.2 Digital**

No impact for the development of the register. Digital impacts of delivering income generation proposals will be assessed individually as part of the implementation process.

### **4.3 Risk**

There is a risk that by not approving the proposed fees and charges increases that some services may not achieve full cost recovery. This will have an impact on the Council's ability to deliver services that are financially viable.

### **4.4 Ensuring Equalities (if required a separate IIA must be completed)**

Income generation proposals as listed in 3.3 (with the exception of penalty charge notice increase) are all subject to their own Equality Impact Assessments (EqIAs) which are available online and in Members' Library. An overarching EqIA has been completed for the remainder of the fees and charges listed in the register and no significant negative impacts have been identified.

### **4.5 Additional Report Implications (See Appendix A)**

See Appendix A

## **Appendices**

Appendix A – Additional Report Implications

Appendix B – Fees and charges register 2023/24

## APPENDIX A – Report Implications

### A.1 Key Priorities within the Single Midlothian Plan

Not applicable

### A.2 Key Drivers for Change

Key drivers addressed in this report:

- Holistic Working
- Hub and Spoke
- Modern
- Sustainable
- Transformational
- Preventative
- Asset-based
- Continuous Improvement
- One size fits one
- None of the above

### A.3 Key Delivery Streams

Key delivery streams addressed in this report:

- One Council Working with you, for you
- Preventative and Sustainable
- Efficient and Modern
- Innovative and Ambitious
- None of the above

### A.4 Delivering Best Value

Fees and charges have been reviewed to ensure that Best Value is achieved.

### A.5 Involving Communities and Other Stakeholders

Benchmarking has taken place across other local authorities to inform the fees and charges proposed. The income generation proposals listed at 3.3 (with the exception of the penalty charge notice increase) have also been subject to public consultation through the budget savings process prior to agreement at Council.

### A.6 Impact on Performance and Outcomes

Not applicable

### A.7 Adopting a Preventative Approach

Not applicable

### A.8 Supporting Sustainable Development

Not applicable