

Committee: **Cabinet**
 Date of meeting: **10 February 2025**
 Report Subject: **Discretionary Fees & Charges 2025/2026**
 Portfolio Holder: **Leader and Cabinet Member for Corporate & Performance**
 Report Submitted by: **Corporate Director of Corporate Services**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
					7/2/2025	10/2/2025	20/2/2025	

1. Purpose of the Report

1.1 The purpose of this report is for Members to consider and recommend approval of the discretionary fees & charges to be applied for the 2025/2026 financial year, including the core fees & charges to be operated by the Aneurin Leisure Trust.

2. Scope and Background

2.1 The Council's Income Policy includes:

- Relevant legislation which allows councils to generate a range of fees and charges, and that income is a budget and funding tool;
- The range of areas in scope.
- Key principles such as the rationale for charging, ability to charge, service cost recovery, subsidies and concessions, trading, income collection, debt management and income management.
- A decision tree for deciding whether to charge.
- Detailed principles.
- Income management which included the creation of a fees and charges register.

2.2 Income from Fees & Charges contributes £14.8m (approx. 7.4%) to the overall funding the Council receives to deliver its services to the residents of Blaenau Gwent.

2.3 The Council is facing significant financial challenges over the next 5 years with an estimated budget gap of £13m, with increasing costs resulting from high inflation impacting costs and increasing demand for services.

2.4 The Bridging the Gap Programme includes a Strategic Business Review on Discretionary Fees & Charges to ensure that the Council is maximising its income by ensuring fees and charges, where levied, are set at a level that covers the costs of delivering the goods and services provided.

2.5 The current Fees and Charges register has been reviewed to:

- Ensure all fees & charges included on the register are relevant for 2025/2026.
- Reflect changes in local and national policy and charges.
- Reflect the impact of the assumptions included within the Medium-Term Financial Strategy and Bridging the Gap proposals on discretionary fees & charges.

3. **Options for Recommendation**

3.1 **Option 1 (preferred option)**

3.1.1 1. Members consider and recommend to Council the register of Fees & Charges for 2025/2026 attached at Appendix 1 and for discretionary fees & charges approve:

- a fee uplift of 3% in line with the assumption for inflation within the MTFS
- the alternative fee proposed as detailed in paragraphs 5.1.5 to 5.1.14.

2. Members consider and recommend to Council to approve delegated power and responsibility to the Interim Corporate Director of Social Services for setting the fees and charges for 2025/2026 relating to the provision of external social care and Cwrt Mytton as detailed in paragraph 5.1.7.

3. Members consider and recommend to Council to approve the core price increases relating to Aneurin Leisure Trust attached at Appendix 2.

3.1.2 **Option 2**

1. Members consider and recommend to Council not to approve the register of Fees & Charges for 2025/2026

2. Members consider and recommend to Council not to approve the delegation to the Interim Corporate Director of Social Services for setting the fees and charges for 2025/2026 relating to the provision of external social care

3. Members consider and recommend to Council not to approve the core price increases relating to Aneurin Leisure Trust attached at Appendix 2.

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 This report supports the Corporate Plan outcome “an ambitious and innovative Council delivering the quality services at the right time and in the right place”.

4.2 Income from Fees & Charges contributes funding (approx.7.4%) towards delivering Council priorities and supports the Councils' financial resilience.

5. Implications Against Each Option

5.1 *Impact on Budget (short and long term impact)*

5.1.1 The assumption in the Medium-Term Financial Strategy and the 2025/2026 draft estimates is that income budgets will increase by 2% in line with the assumption for inflation, which is currently running at 2.5% (December 2024). Whilst the Council has received a more positive settlement for 2025/2026 than initially expected, financial challenges remain, with the MTFs reporting with a forecast funding gap of £13m based on current assumptions.

5.1.2 As a consequence of the increased costs that the Council is experiencing and that are expected to continue during 2025/2026, Council is asked to consider a 3% uplift to Discretionary Fees & Charges with a number of exceptions as detailed below.

5.1.3 The proposed 2025/2026 register of Fees & Charges is attached at Appendix 1. The register includes the charge for 2024/2025, the proposed fee level for 2025/2026 if increased by 3% or an alternative fee proposed by officers.

5.1.4 Licensing Fees have been included on the Register for completeness, however these fees are considered and approved by the Licensing Committee.

5.1.5 Fees & Charges where no fee increase is proposed.

5.1.6 No fee increase is proposed for regulated fees which are specified by Government or other regulated bodies. Should these fees increase subsequently, the Fees & Charges Register will be updated to reflect the revised fee.

5.1.7 **Social Services**

- Care Fees - These fees are currently under negotiation with Providers to reflect the appropriate increase to cover the additional cost of the Real Living Wage, energy costs, increased employers' national insurance contributions etc. Approval is sought to delegate decision making for setting these fees to the Interim Corporate Director of Social Services.

5.1.8 **Environment**

- Outdoor Street Markets to remain cash flat – due to the vulnerability of market operations and to encourage traders to take up stalls.

- Pest Control – These fees are paid direct to the contractor.
- Licensing Fees- Powys County Council agrees the fee for licenses relating to animals.

5.1.9 Fees & Charges where the uplift proposed is greater than 3%:

5.1.10 **Social Services**

- Blaina ICC Room Hire – Proposed Fee uplift of between 67% (£2) and 179% (£6.41) to bring fees in line with other local room hire charges

5.1.11 **Education**

- Charges for out of county placements – increased by 5.5% in line with Teachers pay awards.

5.1.12 **Development & Estates**

- Estates Fees – A range of fee increases from 6% to 50% for legal fees reflecting industry standards.

5.1.13 **Environment**

- MOT – An increase of 4.4% to £47, due to rounding.

5.1.13 Fees & Charges where the uplift proposed is less than 3%:

5.1.14 **Corporate Services**

- Registrars Weddings / Civil Partnerships – Proposed fee uplift is between 1% and 4.76% to ensure the Council remains competitive as the current charges are significantly higher than neighbouring councils.
- Rent to occupy Cwmcrachen Caravan site – Proposed fee uplift of 2.7% in line with Welsh Government's Social Housing Rent & Service Charges 2025/2026

5.1.15 New Fees for 2025/2026

A number of new fees are being proposed for 2025/2026 financial year, and these include:

- Trade Green Waste permit to allow traders to deliver green waste direct to the Waste Transfer Station.
- Licensing – special procedures licensing fee set on an all Wales basis

5.1.16 **Aneurin Leisure Trust**

5.1.17 Aneurin Leisure Trust has submitted a list of proposed fees and charges for 2025/2026 (attached at Appendix 2) for Core Services, to be approved by Council in line with the Funding and Management agreement. The proposed increases range from 0% for Lifestyle studio, due to a new competitor entering the market to 8.33% (an increase of £0.10) for concessionary junior swim.

5.1.18 The Leisure Trust is facing significant financial challenges due to increased costs, particularly relating to utilities and income through fees & charges contribute in excess of £4m in revenue to support the services delivered to the residents of Blaenau Gwent.

5.2 ***Risk including Mitigating Actions***

5.2.1 Fee increases may impact on demand from residents as they continue to be impacted by the cost of living crisis. This could result in a reduction in income that the Council / Trust receives, particularly in the short term.

Demand and the impact on the budget will be monitored and reported as part of the Financial Reporting Framework.

5.2.2 Not increasing discretionary fees & charges in line with the assumption in the MTFS and Bridging the Gap proposals of 3% will result in income budgets being retained at 2024/2025 levels, the impact of which will increase the budget gap by around £0.4m, additional cost reductions / efficiencies will therefore need to be identified.

5.2.3 Aneurin Leisure Trust is experiencing significant financial challenges, particularly with energy costs which continue to remain high with increases well above inflation. Not increasing fees & charges to mitigate cost increases will impact on the immediate financial sustainability of the Trust.

5.3 ***Legal***

5.3.1 There are no direct legal implications arising out of this report. However, charging and trading for local authorities must comply with the Local Government Act 2003 and The Localism Act 2011.

5.4 ***Human Resources***

N/A

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

6.1.1 The proposed register of Fees & Charges is attached at Appendix 1.

6.2 ***Expected outcome for the public***

6.2.1 The setting of fees and charges on an annual basis is essential to maintaining economic resilience, however, these should be set at a cost that considers full cost recovery and what local people can afford, taking into account the protected characteristics.

6.3 ***Involvement (consultation, engagement, participation)***

6.3.1 The review of the Fees & Charges Register has been prepared in consultation with relevant officers.

6.3.2 Services look to involve partners and citizens in consultation where possible. The impact of these charges will be reviewed throughout the year by officers, along with any issues raised by users of the services affected.

6.4 ***Thinking for the Long term (forward planning)***

6.4.1 Income generation will support the long-term financial resilience and the ability to maintain facilities and services for the people of Blaenau Gwent.

6.5 ***Preventative focus***

6.5.1 Income generation contributes funding towards delivering Council Services and investing into early intervention and prevention activities.

6.6 ***Collaboration / partnership working***

6.6.1 The Council works in partnership with Aneurin Leisure Trust to deliver services to the public in support of the well-being objectives.

6.7 ***Integration (across service areas)***

6.7.1 The services provided have a positive impact socially and, on the health, and wellbeing of those who use the services / facilities provided.

6.8 ***Decarbonisation and Reducing Carbon Emissions***

N/A

6.9 ***Integrated Impact Assessment (IAA)***

7. **Monitoring Arrangements**

7.1

7.1.1 The regular review of the corporate fees and charges register is a vital component of the Council's budget setting proposal and should be monitored and refreshed to ensure it is in line with the Council's agreed income policy and Medium Term Financial Strategy.

Background Documents /Electronic Links

- *Appendix 1 – Fees and Charges Register*
- *Appendix 2 – Aneurin Leisure Trust Core Pricing*

