

Portfolio Holder for Housing

December 2024

REPORT OF THE ASSISTANT DIRECTOR FOR HOUSING & ENVIRONMENT

A.1 Housing & Environment – General Fund - Proposed Fees and Charges for 2025/26 (Report prepared by Grant Fenton-Jones)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the Portfolio Holder's concurrence to the proposed schedule of fees and charges 2025/26 for Housing & Environment – Housing General Fund.

EXECUTIVE SUMMARY

- This report sets out the proposed fees and charges for 2025/26 for Housing & Environment – Housing General Fund. They continue to be considered against a number of key principles that form part of the long term financial forecast approach which are summarised later on in this report.
- Any amendments to income budgets that are required to reflect changes to fees and charges will be included in the detailed budget proposals for 2025/26 that will be considered by Cabinet / Full Council next year.
- In respect of Full Council next year, these individual decisions agreeing fees and charges will be collated and presented as part of the overall budget setting process for 2025/26.

RECOMMENDATION(S)

That the Schedule of Fees and Charges 2025/26 for Housing & Environment – Housing General Fund set out in Appendix A be agreed.

REASON(S) FOR THE RECOMMENDATION(S)

To enable the implementation of a revised fees and charges schedule for 2025/26.

ALTERNATIVE OPTIONS CONSIDERED

Please see the considerations / reasons behind the proposed fees and charges later on in this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The forecasting and budget setting process, including fees and charges, will have direct implications for the Council's ability to deliver on its objectives and priorities. At its heart, the 10

year approach to the forecast seeks to establish a sound and sustainable budget year on year where maximising income, including income raised from fees and charges, will continue to be an important element of this approach.

OUTCOME OF CONSULTATION AND ENGAGEMENT

Councillor Andy Baker, Portfolio Holder for the service areas has been consulted and has agreed with the proposed increase in fees and charges.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	No	If Yes, indicate which by which criteria it is a Key Decision	☐ Significant effect on two or more wards ☐ Involves £100,000 expenditure/income ☐ Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	N/A

These decisions are to record the Schedule of Fees and Charges for Executive functions only.

The arrangements for setting and agreeing a budget and for the setting and collection of council tax are defined in the Local Government Finance Act 1992. The previous legislation defining the arrangements for charging, collecting and pooling of Business Rates was contained within the Local Government Finance Act 1988. These have both been amended as appropriate to reflect the introduction of the Local Government Finance Act 2012.

The general power to charge is set out in the Local Authorities (Goods and Services) Act 1970 and the Local Government Act 2003 – Section 93 respectively. The latter also requires that charges for discretionary services should be on a cost recovery basis. Trading powers can only be exercised through a separate company and are not relied upon for the purposes of this report.

Under Schedule 3 of the Council's Constitution - Responsibility For Executive Functions - Para 4.4: Delegation of Executive Functions to Officers - General Responsibilities Delegated To Officers 4.4.1 (8) Part 3.45 of the Council's Constitution, all Assistant Directors, in consultation with the relevant Portfolio Holder, Management Team Member and the Director (Finance & IT), are authorised to decide the level of the annual discretionary fees and charges for their service (including any in-year changes that may be required) for inclusion within the Council's corporate schedule of fees and charges. Following the above consultation, an Officer decision must be published.

Under Para 4.4.1 (8) Part 3.4 of the Council's Constitution, all Assistant Directors, in consultation with the relevant Portfolio Holder (for executive functions), Management Team Member and the Assistant Director (Finance & IT), are authorised to decide the level of the annual discretionary fees and charges for their service (including any in-year changes that may be required) for inclusion within the Council's corporate schedule of fees and charges. Following the above consultation, an Officer decision must be published.

Fee and Charge	Legislative Power Being Relied Upon
Licensing Of Houses in Multiple Occupation	The Housing Act 2004, Part 2, section 63 (3), (7), allows Local Authorities to charge fees for licensing provisions for Houses in Multiple Occupation.
Housing Enforcement Notices	The Housing Act 2004, section 49, affords Local Authorities with powers to charge for the service of enforcement notices.
Energy Efficiency Regulations	The Energy Efficiency (Private Rented Property) (England & Wales), Regulations 2015, affords Local Authorities powers to impose fines for breaches of the aforementioned Regulations.
Smoke & Carbon Monoxide Regulations	The Energy Efficiency (Private Rented Property) (England & Wales), Regulations 2015, affords Local Authorities powers to impose fines for breaches of the aforementioned Regulations.
Electrical Standards	The Electrical Safety Standards in the Private Rented Sector (England), Regulations 2020, affords Local Authorities powers to impose fines for breaches of the aforementioned Regulations.
Financial Penalties	The Housing & Planning Act 2016 amends The Housing Act 2004, (under section 249A – Financial Penalties, and section 13A – Recovery of Financial Penalties, which allows Local Authorities to impose fines for breaches of certain Housing related offences.
Property Redress Scheme	The Property Management Redress Scheme, affords Local Authorities powers to impose fines for failure to belong to one of the approved schemes regarding the security of rent deposits.

☐ **The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

THIS SECTION IS ONLY TO BE COMPLETED BY THE MONITORING OFFICER OR DEPUTIES IN THEIR ABSENCE.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

Fees and Charges have been reviewed against the key principles that underpin the long term forecast, which includes the generation of income whilst balancing strategic and external market conditions.

Given the significant on-going financial challenges faced by the Council from 2025/26, a key underlying principle is to consider inflationary increases wherever possible to support corresponding increases in the Council's own costs in delivering the associated service(s). Although set against the current inflationary environment, any proposed increases in fees and

charges must be balanced against other considerations / market conditions, whilst also recognising the restrictions placed on local authorities in terms of setting fees and charges as set out within the legal section above. Further details relating to any proposed increases to fees and charges is set out below.

Any changes to income budgets resulting from any changes in the level of fees and charges agreed, will form part of the detailed budget setting process for 2025/26. It is also recognised that there may be advantages to allocate some or all of any additional income to associated investment / expenditure, which will also need to be considered as part of the detailed budget setting process for 2025/26.

A summary of the main changes proposed are as follows:

Generally, overall, we have applied a 2.3% inflationary increase to the fees and charges, as most of the fees relate to commercial activities and not the delivery of direct services to individuals. This increase reflects an estimate of the prevailing level of CPI at 2.3%.

☐	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:
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Although there are no further comments over and above those set out elsewhere in the report, it is important to highlight that the demand / volumes used to calculate any estimated total income figures included within this report are based on those held by the Service.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services.	Please see relevant comments elsewhere in this report.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks.	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

Fees and Charges for 2025/26 form part of the wider budget setting process, which culminates in the detailed estimates being presented to Full Council in February 2025. Fees and Charges must therefore be approved in advance of this date.

ASSOCIATED RISKS AND MITIGATION

There is a risk that businesses will chose not to pay the fees. With payment of the fees being a requirement for obtaining the service or statutory licence required to run their business it is not anticipated that many will take this route.

EQUALITY IMPLICATIONS

Fees will apply equally to all businesses in accordance with the type of activity the fee is levied for.

SOCIAL VALUE CONSIDERATIONS

The charging of fees enables the Council to undertake the statutory function for which the fee

relates. Overall, the service seeks to improve the economic, social and environmental wellbeing of the area through the work undertaken.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030

The proposed decision is neutral in relation to the Council's emissions ambitions.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	The changes introduced do not have implications on these considerations and apply equally to transactions irrespective of the area or ward in which the matter is located.
Health Inequalities	
Area or Ward affected	

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Income from fees and charges form an important element of the budget and the financial sustainability of the Council as highlighted earlier.

Similarly to previous years, Departments have been asked to review their fees and charges on an individual basis as changes may need to be made to meet specific aims or strategic objectives or in some cases in response to external factors such as market forces.

The review of fees and charges has been set against the following key principles:

- general inflationary increases where possible or lower where appropriate / justified
- amounts rounded for ease of application, which may result in a slightly above inflation increase.
- on a cost recovery basis as necessary
- reflect statutory requirements.
- increases where market conditions allow
- to meet specific priorities or service delivery aims / objectives

As highlighted earlier in this report, the Council continues to face a number of significant financial challenges in 2025/26 and beyond. It is therefore important that fees and charges are considered against this context and to maximise income opportunities where possible, albeit whilst balancing the various issues highlighted above.

Income budgets included in the detailed estimates will reflect any required changes from the proposed fees and charges set out in this report.

Housing & Environment – Environmental Health Statutory Functions - PROPOSED FEES AND CHARGES 2025/26

Set against the current fees and charges for 2024/25, **Appendix A** includes the schedule of fees and charges proposed for 2025/26, which have been developed by applying the key principles highlighted above.

In finalising the proposed fees and charges for 2025/26, the table below sets out a summary of the associated review:

As part of this review, a comparison of licencing fees was undertaken with other Councils in Essex using benchmarking data. In general, we have applied an inflationary increase of 2.3%.

Housing & Environment General Fund – Fees & Charges for Statutory Functions undertaken.

Element of This Year's Review	Comments												
1. Background to the annual review process and reasoning behind the fees and charges proposed.													
	Fees are statutory fees; garage rents are increased in line with HRA increases. Fees increased on a cost recovery basis only.												
2. Is the Associated Service Subsidised in 2024/25. (i.e. is there a budgeted deficit for the service the fee and charge relates to)													
	Yes												
3. Expected impact of the proposed fees and charges on the budgeted income position.													
	£590												
4. Is it proposed to use of any additional income raised?													
	[Please set out if any of the additional income highlighted above is proposed on being spent to offset any cost pressures e.g. repairs]												
	No												
5. Impact on the Net Budget													
	Assumes 5% increase in 25/26 as budget not loaded as of yet rise is based on pay award 25/25 + 2.5% for 2025/26 salaries.												
	<table><tr><th>Budget Line</th><th>2024/25</th><th>2025/26</th></tr><tr><td>Expenditure</td><td>£191,130</td><td>£200,690</td></tr><tr><td>Income</td><td>£26,140</td><td>£26,730</td></tr><tr><td>Net Position</td><td>£164,990</td><td>£173,690</td></tr></table>	Budget Line	2024/25	2025/26	Expenditure	£191,130	£200,690	Income	£26,140	£26,730	Net Position	£164,990	£173,690
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Expenditure	£191,130	£200,690											
Income	£26,140	£26,730											
Net Position	£164,990	£173,690											
6. Other important issues to highlight.													
	Included are the figures for garages and HMOs only as the remaining charges are rechargeables so not budgeted for.												

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PREVIOUS RELEVANT DECISIONS

Decision of the Assistant Director – Housing & Environment was published on the 28 th February 2024.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Attached – Detailed fees and charges 2025/26 for Housing & Environment-Environmental Health statutory functions.
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REPORT CONTACT OFFICER(S)	
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Appendix A- Current & Proposed Fees & Charges 2025/2026

		2023/24	2023/24	2024/25	2024/25	VAT- Y/N
GARAGE RENTS						
Non-statutory (subject to VAT if separately let to non-council tenants) (see note 1)	Apr-24	£11.06	£11.06	£11.36	££11.36	*
QUESTIONNAIRES						
House Renovation Grants - Enquiries on sale or repossession of property (see Note 2)	Apr-24	£174.93	£209.92	£178.95	£214.74	V
MANDATORY LICENSING SCHEME FOR HMO'S						
Licence Fee (first licence)	Apr-24	£878.00	£878.00	£898.19	£898.19	N
Licence Fee (renewal of licence)	Apr-24	£878.00	£878.00	£898.19	£898.19	N
Charge per additional room for HMO over 6 units	Apr-24	£25.00	£25.00	£25.58	£25.58	N
HOUSING ACT 2004 NOTICES						
Improvement Notice (see note 3)	Apr-24	£502.00	£502.00	£513.55	£513.55	N
Prohibition Notice (see note 3)	Apr-24	£627.00	£627.00	£641.42	£641.42	N
Emergency Remedial Action Notice (see note 3)	Apr-24	£502.00	£502.00	£513.55	£513.55	N
SMOKE & CARBON MONOXIDE ALARM (ENGLAND) REGULATIONS 2015						
First Offence	Apr-24	£2550.00	£2550.00	£2,550.00	£2,550.00	N
Failure to Comply or pay Fine	Apr-24	£5,100.00	£5,100.00	£5,000.00	£5,000.00	N
Subsequent Offences	Apr-24	£5,100.00	£5,100.00	£5,000.00	£5,000.00	N
ENERGY REGULATION FINES 2015 (see note 4)						
Breaches in relation to Regulation 23 in a domestic property						
Less than 3 months	Apr-24	£2,000.00	£2,000.00	£2,000.00	£2,000.00	N
3 months or more	Apr-24	£4,000.00	£4,000.00	£4,000.00	£4,000.00	N
False or misleading information - Regulation 36(2)	Apr-24	£1,000.00	£1,000.00	£1,000.00	£1,000.00	N
Failure to comply with a compliance notice – Regulation 37(4)(a)	Apr-24	£2,000.00	£2,000.00	£2,000.00	£2,000.00	N

CIVIL PENALTIES (see note 5)

Ranging up to a maximum of £30,000.00

Calculated in accordance with published Private Sector Housing Enforcement and Civil Penalties Policy

**THE ELECTRICAL SAFETY STANDARDS IN THE PRIVATE RENTED SECTOR (ENGLAND) REGULATIONS 2020
(see note 6)**

Ranging up to a maximum of £30,000.00

Calculated in accordance with published Private Sector Housing Enforcement and Civil Penalties Policy

PROPERTY MANAGEMENT REDRESS SCHEME (see note 7)

Maximum of £5,000.00

Notes:

1) Garage Rents

These are reviewed as part of the associated Housing Revenue Account Budgets.

2) Questionnaires

The charge to private finance companies for responding to enquiries in respect of private sector renovation grants on the sale or repossession of properties.

3) Housing Act 2004 Notices

Plus any additional costs reasonably incurred in determining whether to serve notice and the action(s) specified therein e.g. gas and electrical costs.

4) Energy Regulation Fines 2015

The proposed fees are the maximum allowable under the regulations. Where imposed the total financial penalties cannot be more than £5,000.

5) Civil Penalties

Score per offence calculated in accordance with published Private Sector Housing Enforcement and Civil Penalties Policy

Maximum Fine of £30,000.00 (unless enforcement of Management Regulations where fine can be £30,000.00 per breach)

6) The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020

Maximum fine of £30,000.00

7) Property Management Redress Scheme

Max Fine of £5,000.00

* Garage Rent - VAT:

Parking

V

Storage:

Homeless persons goods

N

Premises suitable for parking

V

Premises unsuitable for parking

X