

Fees and Charges, 2024/25 – equalities impact statement

Background

Overall position

- 1.1 The budget framework for 2024/25 reflects a baseline assumption that £1m of additional income will be generated through an average 5% increase¹ in discretionary fees and charges but with all current concessions and exemptions retained. The main exceptions to this level of increase are:

	Proposed increase
Bus lane enforcement penalties	c. 67% (subject to Ministerial approval)
Pay and display parking	c. 20%
Parking permits	c. 10%
Road occupation permits	c. 10%
Garden aid	between 65% and 80%

- 1.2 In contrast, no change to (i) registrars' fees or (ii) charges for cultural venues is proposed for commercial competitiveness reasons following c. 11% increases in 2023/24. No increase is likewise proposed for Houses in Multiple Occupation (HMOs) given the balance of the service's statutorily maintained earmarked reserves and, for operational reasons, in some areas of the HRA.
- 1.3 In accordance with the previous decision of the Transport and Environment Committee, officer-recommended increases for **parking permit-related charges** have been determined with reference to the average inflation rate for the period from January to December 2023 inclusive. Equivalent rates for **pay and display parking** have been set to complement wider transport policy objectives and to generate sufficient income, in total terms, to offset the £2m reduction in COVID-related "legacy" funding included within the 2024/25 budget framework.
- 1.4 It is also proposed that **bus lane camera enforcement notices** be increased to £50 if paid within 14 days, bringing parity with the parking enforcement penalty charge notice increased to £50 in the 2023/24 budget. The Council has made application to Transport Scotland to make this charge increase and awaits ministerial approval.
- 1.5 Budget update reports to the meetings of the Finance and Resources Committee on 25 January and 6 February respectively detailed proposed charges across all of those areas expected to be available as of the time of budget-setting on 22 February, with a consolidated list also circulated to members on 8 February. It was noted in these reports that the proposed charges for (i) community access to secondary school sports facilities, (ii) residential care homes and (iii) a number of other social care-related services were subject to separate determination and would be advised to members as soon as available. Given

¹ unless in the case of pre-approved charging policies, the effect of which would be to require a different level of increase, or for some commercial charges.

relevant approval timescales and other relevant considerations, however, this will not be until after Thursday’s meeting.

Poverty Commission recommendations

- 1.6 As part of 2023/24’s budget deliberations, members asked that consideration be given to the Poverty Commission’s recommendations in this area. While the Commission did not make any particular calls to action that relate to the fees and charges that are the specific subject of Council’s decision, it did ask the Council and all community planning partners to consider the impact their budget decisions might have on people affected by poverty.
- 1.7 One potential way of undertaking this assessment is application of the Scottish Parliament Information Centre (SPICe)/Joseph Rowntree Foundation framework which sought to assess the impact of local authorities’ savings plans on services used more by better-off groups of people or poorer groups of people. The framework classified council services into six categories on a scale between "Pro-Rich" and "Very Pro-Poor", a summary of which is provided below.

Classification	Types of services	
Pro-Rich	Parking	Museums & Galleries
Neutral-Rich	Road Construction	Parks & Open Space
Neutral	Pre-primary Education	Waste Management
Neutral-Poor	Libraries	Secondary Education
Pro-Poor	Older Persons Social Work	Local Authority Public Transport
Very Pro-Poor	Social Work for Children & Families	Citizens Advice

- 1.8 It is important to emphasise that this framework was developed from the perspective of those using these services at a general level and not specifically in the context of fees and charges being levied, albeit the underlying principles and categorisations may still have some relevance. It is also worth bearing in mind that in a significant number of cases, a framework of concessionary and reduced charges is already in place, with other charges, particularly in the area of health and social care, subject to means testing.
- 1.9 Given the timescales within which these charges now require to be set for 2024/25, the ability to undertake both detailed socio-demographic analysis of the actual users for each of these services and engagement work to understand likely impacts better is limited, albeit in some cases proposals brought forward have taken implicit consideration of these anticipated impacts. The need to deepen this understanding is acknowledged and will be taken forward as part of the budget process for 2025/26, alongside parallel development of areas such as gender budgeting.
- 1.10 These points notwithstanding, the following general points are suggested for consideration in respect of 2024/25’s budget:
 - o any increases in charges for **parking** and **museums and galleries** are likely to have a relatively lower impact on poorer communities. The budget framework assumes increases in on-street car parking charges of around 20%, with the equivalent increase for parking permits being around 10%, depending on vehicle type. Links to relevant integrated impact analyses are included later in this briefing;

- increased charges for **licensing, planning** and **venue hire** are likewise expected to have proportionately lower impacts on poorer communities;
- increases in **cultural venue** charges would also be anticipated to have lower impacts on poorer communities and there are already relevant discounts in place for charitable/community groups. In addition, as part of the approved budget for 2023/24, a specific recurring £0.100m Cultural Access Fund was established to maximise the reach of community-led access to cultural and creative programmes and facilities for, and with, participants, creative practitioners, families and audiences;
- **an amnesty on overdue library fines** was approved as part of the 2023/24 budget. As the budget framework has baselined the associated income supporting this waiving of fees, it is officers' recommendation that fines now be removed on a permanent basis. Library services are typically seen as 'neutral-poor' from a poverty impact point of view;
- although not specifically covered in the SPICe analysis, "**funeral poverty**" remains an important issue, with available statistics pointing to escalating costs and limited available avenues for financial support. The Scottish Government-established 'Funeral Payment and Funeral Poverty Reference Group' in March 2021 raised concerns around rising local authority burial and cremation fees. Following a freeze in charges for 2023/24, officers are recommending a 5% level of increase in line with the Council's wider policy for the coming year, albeit with simpler arrangements (with lower associated charges) retained; and
- the framework does not have huge relevance to the chargeable services provided by the Education and Children's Services Directorate. **Community letting** and **adult education classes** are, however, relevant, with two concessionary rates already in place.

1.11 As noted in the preceding section, a range of concessionary arrangements is currently in place as summarised in Appendix 1.

Council Tax

- 1.12 Following receipt of compensating funding from the Scottish Government, the budget framework proposes a freeze in Council Tax rates in 2024/25. Council Tax is generally considered a regressive tax, with poorer people paying a higher proportion of their income than wealthier people. In this sense, the Council Tax freeze may be seen to be more beneficial to those in higher-income groups, rather than people who are most vulnerable to experiencing poverty.
- 1.13 In addition, if it is assumed that support for a freeze is taken from other areas of the Scottish Budget that might otherwise have been available to support frontline service delivery, this may put additional pressure on the Council's ability to deliver its services, thus having a further, reinforcing negative impact on equality. Such a reduction in available funding is likely to have a disproportionate impact on women, disabled people, black and minority ethnic communities, LGBTQ+ communities and other people with protected characteristics. This impact is compounded for people who face multiple disadvantage, for example women of colour or care-experienced people experiencing mental health problems.
- 1.14 Given that absolute levels of Council Tax have been frozen, however, alongside the Scottish Budget in December 2024, the Scottish Government set out distributional analysis of its policy and tax decisions, including on the Council Tax freeze. [That analysis](#) indicates that, relative to household income, the benefits of the Council Tax freeze are greatest for the lowest income decile.

- 1.15 Support through the Council Tax Reduction Scheme (CTRS) continues to be available and serves as a safety net to support those on lower incomes. A number of initiatives to maximise take-up of CTRS and other support will continue to be undertaken, including:
- Close liaison with internal and external advice-giving agencies, including Local Offices, the Council's Advice Shop and Citizens' Advice Bureaux and other similar organisations across the city;
 - Revised wording included in all Council Tax reminder notices; and
 - Promotion of measures to maximise household income through the Welfare Rights Service and a range of other income maximisation techniques.
- 1.16 Applications for Council Tax Reduction can also be made alongside those for Housing Benefit.
- 1.17 Due to the level of demand on other welfare-related funds such as Discretionary Housing Payments and, in particular, the Scottish Welfare Fund, however, in the absence of additional funding, it is likely that eligibility criteria will require to continue at tightened levels, with a knock-on effect on, in particular, women and disabled people.

Fees and charges

- 1.18 While most of the Council's fees and charges are not subject to an equivalent system of assistance, services do take account of the ability to pay in applying these increases. In some areas, such as room and facilities hires, overall income targets have largely been met in recent years through applying proportionately higher increases to commercial clients seen as being better able to meet these costs.
- 1.19 The Council's charging policy is also influenced by developments at national level, particularly in the case of education services. Recent Scottish Government initiatives have seen the expansion of free school meals within primary schools, removal of charges for music tuition and also for some curricular activities. The Council has furthermore played a lead role in the expansion of the Scottish Welfare Fund and Scottish Child Payments.
- 1.20 As noted earlier in this briefing, it is proposed that charges for pay and display parking and parking permits be increased by around 20% and 10% respectively. As part of developing the Parking Action Plan, six Integrated Impact Assessments were undertaken, including those on [pricing strategies](#), [residents' parking permits](#) and [controlled parking zones](#). These assessments included a comprehensive overview of relevant environmental, equality-related and environmental considerations.
- 1.21 Following changes to the Council's contract and a related move to full-cost recovery, the majority of garden aid charges are anticipated to increase by around 80%. While the charge for this service is included within overall rentals for Council tenants, for private tenants and homeowners, the increase of between £88 and £315 per year has the potential to cause significant hardship and potential behavioural change.

Existing concession arrangements for fees and charges

Appendix 1

Adult Education	50% and 80% concessions are available within the existing service charging structure.
Outdoor Education	<p>The Council and the Scottish Child Poverty Action Group regard curriculum residential visits as a “cost of the school day”. Left unaddressed, the cost of a residential excursion can be a significant barrier to the participation of pupils from low-income families. A range of strategies is therefore used by schools to maximise attendance. These include Pupil Equity Funding (PEF), out-of-community fundraising, Parent Council contributions, third party grant applications, extended payment plans for parental/carer contributions, and clothing banks. Average attendance in Autumn 2022 was 90%, with 65% of these pupils attending paying the full fee and 35% of pupils attending receiving support through the above strategies. Linked to the ‘cost of living crisis’, schools are reporting significant and growing concerns about maintaining high attendance and meeting residential costs across the school community, not just families on low incomes. External funders are reporting significant increases in grant applications alongside an unsustainable depletion of reserves.</p> <p>PEF guidance is designed to close the poverty-related attainment gap. It expects all spends to be linked to priority criteria, including ‘reducing the cost of the school day’ and the ‘cost of wider achievement opportunities’. This enables schools to allocate PEF to residential offsite visits.</p>
Burial and Cremation Charges	Local councils do not charge a burial or cremation fee where a child (under 18) has died. After charges were frozen in 2023/24, the proposals to be considered by Council on 22 February reflect an average increase for 2024/25 of around 5% but with simpler arrangements (with lower associated charges) retained. In addition, Funeral Support Payments are also available where the individual accepting responsibility for funeral costs is in receipt of certain benefits.
School Meals	Universal Free School Meal provision is in place for P1-P5 with a Scottish Government commitment to introduce universal provision in primary schools when financial circumstances permit. Eligibility for Free School Meals in secondary schools is linked to receipt of certain benefits.
Cultural Venues	Various discounts for amateur groups and charities are in place e.g. c.50% reduction at Church Hill Theatre; 20% reduction at Assembly Rooms for UK-registered charities; various reductions at Ross Theatre for charity / amateur events; discretionary 30% reduction in rates at Usher Hall can be offered to key partners (RSNO and SCO), charitable and amateur organisations.
Civic Licensing	Public Entertainment licences - various discounts / reductions are applied for community / charitable / religious / political groups.
Garden Aid	The Garden Aid scheme is available for: Council tenants over 60 years of age and in receipt of housing benefit; Council tenants, private tenants and homeowners that have a disability and are in receipt of either the Personal Independence Payment (mobility) or the Disability Living Allowance (mobility component); Private tenants and homeowners over 80 years of age. An annual administration fee is charged to all private tenants and homeowners which is dependent on their grass area and hedge size. If an application has been certified by a Medical Professional (a GP or a Health Worker), the VAT cost will be removed.
Libraries	Various concessions and reductions are applied to libraries charges. For example a 50% concession is available on audio and DVD loans (with no charge for under 16s) with room hire reductions of c. 65% for community groups.
Allotment Rentals	Elderly, student and unemployment residents are entitled to a discount of c.50% on allotment rentals.