
Meeting: Children's Services Overview and Scrutiny Committee
Date: 21 January 2014
Subject: Fees and Charges 2014/15
Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Services.

Summary: The report proposes the revised fees and charges rates to be effective from 1 April 2014 and identifies those charges where increases are significantly different from the 2% advisory increase as per the 2014/15 Budget Strategy.

Advising Officer: Charles Warboys, Chief Finance Officer
Contact Officer: Denis Galvin, Head of Financial Performance
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

1. The annual review and setting of the Council's Fees and Charges are integral to the Council's Budget Strategy and the legal requirement to deliver a balanced budget. The review ensures a rigorous, responsible and realistic approach is taken to determine the appropriateness and relevance of the Council's schedule of fees and charges. Setting a balanced budget ensures the Council allocates its resources to deliver the priorities. These are:
 - Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.
 - Improved educational attainment
 - Promoting health and wellbeing, and protecting the vulnerable
 - Better infrastructure – improved roads, broadband reach and transport.
 - Great universal services – bins, leisure and libraries.
 - Value for money – freezing council tax.

Financial:

2. The financial implications are set out in the report.

Legal:

3. The Council has various powers to charge for aspects of the services it provides. The general rule is that when it is carrying out a statutory duty the Council can only make a charge where there is specific power to do so.

Section 93 of the Local government Act 2003 provides that when the Council is providing a discretionary service, it may charge for the service, provided the person receiving the service has agreed to its provision. Overall the income from such charges must not exceed the cost of the provision.

Risk Management:

4. Risks relating to service take-up and organisational reputation can be associated with increases to fees and charges that are perceived to be 'comparatively' high. The key risks are:
- Subject to the level of increase (and in view of the current financial climate), services might become unaffordable to some members of the community, which may impact take-up and therefore overall income levels. This may also impact on the Council's reputation.
 - Those paying fees and charges may perceive that a higher than expected increase on any given area will be used to cross-subsidise increased costs of other service areas and not to cover the direct cost of the service they receive. This again may present a reputational risk.
 - Services subject to significant increases in fees might attract unfavourable media attention, which again could result in reputational damage to the Council.

Staffing (including Trades Unions):

5. Not applicable.

Equalities/Human Rights:

6. Where appropriate, Equalities Impact Assessments will be carried out for proposals.

Community Safety:

7. Not applicable.

Sustainability:

8. Not applicable.

Procurement:

9. Not applicable.

RECOMMENDATION(S):

The Committee is asked to consider the report and Appendix 1 - schedule of proposed fees and charges and comment as necessary to the Executive.

Background

10. The Council's Charging Policy states that '*All fees and charges will be reviewed annually and adjusted as necessary in line with the Council's charging policy. The Chief Finance Officer will provide services with guidance each year as to the maximum inflation rate that may be applied.*'

11. It also states that '*All fees and charges should be reviewed on a more fundamental basis at least every 3 years, where it will be necessary to examine all the factors set out below in accordance with good practice guidance i.e. the CIPFA Practical Guide for Local Authorities on Income Generation (Fully revised 2008).*' This was undertaken in 2010/11 with the Revenue Income Optimisation Project where successful business cases were integrated into the fees and charges as agreed by Council in February 2011 and published thereafter. The next review is scheduled for autumn 2014.
12. In accordance with the policy, the Chief Finance Officer has advised that the minimum inflation rate to be applied in line with the Corporate Budget Strategy is 2% which is below the latest reported Retail Price Index.

General 2% increase

13. For the majority of services there will be a 2% increase for 2014/15.. There are instances where this is not practically possible and these are highlighted in the following paragraphs. The detail of the changes is set out in Appendix A.

14. Children's Services

Music Services

Children's Services are recommending to increase charges for music services by the recommended 2%. The service was redesigned in 2011 to be a front end cost neutral provision and hence only an inflation increase is recommended.

School Transport

It is recommended to hold these at 2013/14 prices.

Appendices:

Appendix A – Fees and Charges Schedule

Background papers and their location: (open to public inspection)

None