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**Meeting:** Co-convened meeting of the Overview and Scrutiny Committees

**Date:** 23 September 2014

**Subject:** Fees and Charges 2015/16

**Report of:** Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Services.

**Summary:** The report proposes the revised fees and charges for 2015/16 and identifies those charges where increases are significantly different from the 2% advisory increase as per the 2015/16 Budget Strategy.

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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 your local community – 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 – waste, 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 current full economic cost to the Council 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.
- The Fees & Charges Policy does provide for discretion on the level of charges made to vulnerable people or groups.
- 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 Committees are asked to:-

1. Consider the report and associated appendices 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 is currently being undertaken
12. The Fees & Charges Policy was reviewed during 2014 under the auspices of a Members Task & Finish Group, and recommended to the Corporate Services OSC at its July 2014 meeting. This Policy is now due to be taken by the Executive at its October meeting.
13. The Chief Finance Officer has advised that the inflation rate to be applied in line with the Corporate Budget Strategy is 2% which is in line with the latest reported Retail Price Index (1.9% as at July 2014). Where there have been significant variations from this advisory level these have been identified at Appendix B.

## **General 2% increase**

14. For the majority of services there will either be a 2% increase for 2015/16, or prices will be held at the 2014/15 price where charges are in line with the current economic cost of provision. The details of the individual tariffs is set out in Appendix A.
15. Statutory charges have been left at the 2014/15 rate and will be revised once the authority has been advised of the rates applicable to 2015/16.
16. The implementation date of the price changes for 2015/16 is the 1st January 2015 wherever possible.
17. A number of Fees & Charges will remain with an April 2015 date for a price change, where they are either annual agreements, or the Service is statutory and subject to an April change.

## **Traded Service with Schools & Academies**

18. There are a number of services that the Council continues to provide to Schools and Academies.
19. A full review of these charges was undertaken for the 2014/15 year, and proposed changes are reflected in the proposed charges for 2015/16.
20. For services that are provided to both Schools and Academies, where appropriate a management fee of 10% is added to the Academy charge.
21. These charges are communicated to Schools and Academies via a Booklet for which is shown as Appendix C. This booklet is issued annually and charges take effect from April 2015 in line with the budget year that is set for Schools.

**Appendices:**

Appendix A – Fees and Charges Schedule

A1 Social Care Health & Housing

A2 Children's Services

A3 Community Services

A4 Regeneration & Business Support

A5 Corporate Resources (inc. Registration)

A6 Building Control

A7 Planning Services

A8 Minerals & Waste

A9 Photocopying

A10 Marriage fee changes from 1<sup>st</sup> September 2014

Appendix B – Non 2% Charges

Appendix C – Charges to Schools & Academies

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

None