

<p>SHADOW EXECUTIVE</p>
<p>16 DECEMBER 2008</p>

SUBJECT	FEES AND CHARGES STRATEGY 2009/10 (To consider the approach to be adopted in setting the schedule of fees and charges in 2009/10 for Central Bedfordshire.)
REPORT OF	Chief Finance Officer – Mid Beds DC
<i>Contact Officer: David Sutherland (Tel: 01462 611080)</i>	

IMPLICATIONS

SUSTAINABILITY	
FINANCIAL	Each service will include an estimate of its Fees and Charges as part of the budget preparation for 2009/10
LEGAL	Statutory Fees will be applied as set out by Government
PERSONNEL/EQUAL OPPORTUNITIES	None
COMMUNITY DEVELOPMENT/SAFETY	None
TRADES UNIONS	None
HUMAN RIGHTS	None
KEY ISSUE	Yes
BUDGET/POLICY FRAMEWORK	No

OTHER DOCUMENTS RELEVANT TO REPORT
None

<p>RECOMMENDATIONS:</p> <p>That the Shadow Executive approves the principles set out in paragraph 2 (c) of this report applying to the setting of Fees and Charges in 2009/10.</p> <p><i>Reason for Recommendation: To allow a measured transitional response to the issue of Fees and Charges to be approved pending more detailed consideration by the new Council for 2010/11</i></p>

1. **Background:**
 - (a) In preparation for the first year of the new Central Bedfordshire Council, a schedule of all discretionary Fees and Charges will need to be agreed. Agreement will need to be within a timescale that will allow for application by 1st April 2009 after allowing for suitable notifications to customers.

- (b) In order to ensure that the revenue budget setting process can proceed with maximum resource and minimal delay it is proposed to set out a simplified approach to the setting of Fees and Charges for 2009/10, that will allow officers to create a harmonised schedule within certain agreed parameters.

The principles set out will apply only to those Fees and Charges where there is Members' discretion, statutory charges will be applied as laid down by Government

2. Key Principles

- (a) It is anticipated that the new administration will want to examine its policy regarding the application of Fees and Charges prior to setting of Fees and charges in 2010/11. In the meantime, however, there is a need to apply a set of Fees and Charges for 2009/10 where the major consideration will be the harmonisation of the existing District Council charges.
- (b) Charges set by the County Council are, almost without exception, for services completely different to those of the Districts, therefore, there are no harmonisation issues with current County Council charges.
- (c) It is proposed that for 2009/10 the following key principles should apply in the setting of Fees and Charges:
- District Fees and Charges should be harmonised as far as possible to a (weighted) average of the existing charges set;
 - No charge should be set that is higher than the current highest charge of the 2 Districts;
 - No charge should be set that is lower than the current lowest charge of the 2 Districts;
 - The case for levying any charge that is higher than the current average of the 2 Districts should be agreed with the Service Portfolio Holder and the Portfolio Holder (Resources);
 - For all charges, inflation should be applied at no more than 3% for 2009/10, except where the charge levied contains an element of recharge from external parties that are of a contractual nature or otherwise out of the control of the Council. In such cases the minimum increase possible should apply;

- The case for levying any inflation uplift higher than 3% should be agreed with the Service Portfolio Holder and the Portfolio Holder (Resources);
- The Schedule of Fees and Charges, when complete, to be included as an appendix in the Council's budget book and to be set out on the Council's website. (Including all Statutory charges set by Government).

3. **Current Inflation Position**

- (a) Members may wish to note that at the time of writing the Consumer Price Index (CPI) stood at 4.8%,

Market expectations were for a fall in this figure through the remainder of 2008 and throughout 2009 to a figure closer to the Government target of 2% or even below.

4. **Summary**

- (a) The proposed approach set out above is due to be tabled to the Scrutiny Committee at its meeting of 11th December and any comments arising will be provided to this meeting by way of an additional tabled paper.
- (b) The approach being recommended is a practical one that will enable resources to be targeted toward the critical process of preparing and setting the revenue budget for 2009/10, thus allowing a slightly longer period in which to produce the harmonised Fees and Charges schedule.
- (c) The budget assumptions relating to Fees and Charges will not be compromised as all services are working from best available current information regarding levels of income and the suggested approach is broadly that which has already been advised for budget preparation purposes.

Background Papers: None

Location of Papers: Accountancy Section, Council Offices, Priory House

File Reference: N/A