

Is the final decision on the recommendations in this report to be made at this meeting?

Yes**MEDIUM TERM FINANCIAL STRATEGY 2017/18 – FEES & CHARGES UPDATE (LEGAL SERVICES)**

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| Final Decision-Maker | Policy & Resources Committee |
| Lead Director or Head of Service | Mark Green, Director of Finance & Business Improvement |
| Lead Officer and Report Author | Ellie Dunnet, Chief Accountant |
| Classification | Non-exempt |
| Wards affected | All |

This report makes the following recommendations to the final decision-maker:

1. That the Committee approves the proposed revisions to fees and charges for legal services for 2017/18 as set out in detail in **Appendix A**.

This report relates to the following corporate priorities:

Increases in fees and charges can have a significant impact on the Council's ability to meet its objectives.

Timetable

| Meeting | Date |
|------------------------------|------------------|
| Policy & Resources Committee | 15 February 2017 |

MEDIUM TERM FINANCIAL STRATEGY 2017/18 – FEES & CHARGES UPDATE (LEGAL SERVICES)

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This follows the report considered by the Committee on 18 January 2017 and sets out some proposed amendments to fees and charges for legal services which were omitted from the previous report.
 - 1.2 The changes have been proposed with a view to simplifying the charging structure in place from April 2017 and are set out at Appendix A to this report. Committee members are asked to consider the appropriateness of the proposed changes in the context of the medium term financial strategy 2017/18 – 2021/22.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The Committee considered the fees and charges which fall under the responsibility of this Committee at its meeting on 18 January 2017.
 - 2.2 This report proposes some revisions to the amounts chargeable for legal services which were omitted from the previous report. The changes are set out in Appendix A to this report and introduce an hourly rate which seeks to rationalise the approach to charging for legal services.
 - 2.3 It should be noted that the income figure shown for 2015/16 includes income received for the recovery of court costs. For the 2016/17 and 2017/18 projections, these amounts have been excluded as they relate to cost recovery only and fall outside the scope of the Council's fees and charges policy. The proposed changes are expected to give rise to a moderate increase in the income generated through fees and charges in this area.
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3. AVAILABLE OPTIONS

- 3.1 **Option 1:** The Committee could approve the recommendations as set out in the report, adopting the revised fees and charges as proposed in Appendix A. As these proposals have been developed in line with the Council's policy on fees and charges they will create a manageable impact on service delivery whilst maximising income levels.
 - 3.2 **Option 2:** The Committee could agree different fee levels to those proposed. Any alternative increase may not be fully compliant with the council's fees and charges policy, would require further consideration before implementation and may not deliver the necessary levels of income to ensure a balanced budget for 2017/18.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 1 is the recommended option. Officers have considered all aspects of the policy in developing the proposed fees and charges set out in Appendix A and they are in line with the policy's factors set out earlier in this report.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 No specific consultation has been completed on these fees and charges but the resident's survey included questions relating to direct payment for services and this option is seen by residents as the second most popular way of managing pressures on Council budgets, with over one third of responders voting in favour of this option. The most popular option relates to being more efficient in the delivery of services.
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 This decision will assist Policy & Resources Committee in making a final recommendation on a balanced budget to Council.
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue | Implications | Sign-off |
|---------------------------------------|---|--|
| Impact on Corporate Priorities | <p>Increases in fees and charges can have a significant impact on the Council's objectives. The use of the policy as a guide to assessing a correct level of increase means that the most appropriate levels are proposed in this report.</p> <p>The direct charging of a fee for a service reduces the level of subsidy required by all council tax payers and ensures a greater element of the cost is recovered directly from the service users where this approach is appropriate.</p> | Director of Finance & Business Improvement |
| Risk Management | <p>The budget agreed will form part of the medium term financial strategy for 2017/18. The major risk is that the proposed increases do not deliver the income that is reflected in the budget once it is approved. If the income does not reach the levels expected within the budget, the Committee will have to take corrective action to manage the shortfall.</p> <p>This risk is faced every year and, where the income generated is not sufficient to reach the budget, corrective action is taken by service managers. In such cases the quarterly budget monitoring report will highlight any significant issues</p> | Director of Finance & Business Improvement |

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| | to the Committee. In addition the constitution requires that any significant variances from income targets are reported to the Policy & Resources Committee along with proposed actions to resolve the budget pressure created. | |
| Financial | <p>The medium term financial strategy impacts upon all activities of the Council. The future availability of resources to address specific issues is planned through this process.</p> <p>Appendix A details the anticipated financial impact of the proposed changes.</p> | Director of Finance & Business Improvement |
| Staffing | No specific issues have been identified. | Director of Finance & Business Improvement |
| Legal | <p>A number of the fees and charges made for services by the Council are set so as to provide the service at cost. These services are set up as trading accounts to ensure that the cost of service is clearly related to the charge made. In other cases the fee is set by statute and the Council must charge the set fee. In both cases the proposals in this report meet the Council's obligations.</p> <p>Where a customer defaults the fee or charge for a service must be defensible, in order to recover it through legal action. Adherence to the policy on setting fees and charges provides some assurance that appropriate factors have been considered in setting these charges.</p> | Legal Team |
| Equality Impact Needs Assessment | The objective of the review of fees and charges including a focus on the factors required by the corporate policy minimises the opportunity for unintended disadvantage to be created. | Director of Finance & Business Improvement |
| Environmental/Sustainable Development | No specific issues identified | Director of Finance & Business Improvement |
| Community Safety | No specific issues identified | Director of Finance & Business Improvement |
| Human Rights Act | No specific issues identified | Director of |

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| | | Finance & Business Improvement |
| Procurement | No specific issues identified | Director of Finance & Business Improvement |
| Asset Management | No specific issues identified | Director of Finance & Business Improvement |

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- **Appendix A:** Proposed level of fees and charges for 2017/18 - Legal Services (Policy & Resources Committee).

9. BACKGROUND PAPERS

Policy & Resources Committee, 18 January 2017: Medium Term Financial Strategy – Fees & Charges