

**Fees & Charges 2018/19**

<b>Final Decision-Maker</b>	Heritage, Culture & Leisure Committee
<b>Lead Head of Service/Lead Director</b>	Mark Green, Director of Finance & Business Improvement
<b>Lead Officer and Report Author</b>	Ellie Dunnet, Head of Finance
<b>Classification</b>	Public
<b>Wards affected</b>	All

**Executive Summary**

This report sets out the proposed fees and charges for 2018/19 for the services within the remit of this Committee. Fees and charges determined by the council are reviewed annually, and this forms part of the budget setting process.

The Committee is invited to consider the appropriateness of the proposals for charges which are set at the Council's discretion.

Charges which are determined centrally have been included in Appendix 1 for information.

**This report makes the following recommendations to this Committee:**

1. That the proposed discretionary fees and charges set out in Appendix 1 to this report are agreed.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Policy & Resources Committee	24 January 2018
Heritage, Culture & Leisure Committee	30 January 2018

# Fees & Charges 2018/19

## 1. INTRODUCTION AND BACKGROUND

1.1 The updated Charging Policy was considered and agreed by Policy & Resources Committee on 22 November 2017. The policy seeks to ensure that:

- a) Fees and charges are reviewed regularly, and that this review covers existing charges as well services for which there is potential to charge in the future.
- b) Budget managers are equipped with guidance on the factors which should be considered when reviewing charges.
- c) Charges are fair, transparent and understandable, and a consistent and sensible approach is taken to setting the criteria for applying concessions or discounted charges.
- d) Decisions regarding fees and charges are based on relevant and accurate information regarding the service and the impact of any proposed changes to the charge is fully understood.

1.2 The policy covers fees and charges that are set at the discretion of the council and does not apply to services where the council is prohibited from charging, e.g. the collection of household waste. Charges currently determined by central government, e.g. planning application fees, are also outside the scope of the policy. However, consideration of any known changes to such fees and charges and any consequence to the medium term financial strategy are included in this report for information.

1.3 Budget managers are asked to consider the following factors when reviewing fees and charges:

- a) The Council's strategic plan and values, and how charge supports these;
- b) The use of subsidies and concessions targeted at certain user groups or to facilitate access to a service;
- c) The actual or potential impact of competition in terms of price or quality;
- d) Trends in user demand including an estimate of the effect of price changes on customers;
- e) Customer survey results;
- f) Impact on users, both directly and on delivering the Council's objectives;
- g) Financial constraints including inflationary pressure and service budgets;

- h) The implications of developments such as investment made in a service;
- i) The corporate impact on other service areas of Council wide pressures to increase fees and charges;
- j) Alternative charging structures that could be more effective;
- k) Proposals for targeting promotions during the year and the evaluation of any that took place in previous periods.

1.4 Charges for services which fall within the remit of this Committee have been reviewed by budget managers in line with the policy, as part of the development of the medium term financial strategy for 2018/19 onwards. The detailed results of the review carried out this year are set out in Appendix 1 and the approval of the Committee is sought to the amended fees and charges for 2018/19 as set out in that appendix.

1.5 Table 1 below summarises the 2016/17 outturn and 2017/18 estimate for income from the discretionary fees and charges which fall within the remit of this Committee. Please note that the table only reflects changes relating to fees and charges and does not include other budget proposals which may impact these service areas.

1.6 Overall, it is anticipated that there will be a decrease of £40,000 (2.42%) in the budgeted income figure for this Committee for the current financial year. This reflects the income shortfall in the Market and is shown in the Council's Strategic Revenue Projection elsewhere on the agenda for this meeting.

Service Area	2016-17 Outturn £	2017-18 Estimate £	Proposed change in income £	2018-19 Estimate £
Museum	52,683	64,500	0	64,500
Parks and Open Spaces	42,711	60,040	0	60,040
Cemetery	112,560	137,640	0	137,640
Crematorium	1,262,045	1,213,420	0	1,213,420
Market	163,017	179,840	-40,000	139,840
<b>Total income from fees set by the Council</b>	<b>1,633,016</b>	<b>1,655,440</b>	<b>-40,000</b>	<b>1,615,440</b>

*Table 1: Discretionary Fees & Charges Summary (HCL)*

1.7 The review of fees and charges has resulted in a small number of increases to counteract the impact of inflation and increased contract costs. As shown above there is no net impact on budgets.

1.8 Other proposed changes are summarised below:

- Room hire at the museum have been reduced to encourage takeup;
- Increased charges for park hire and events are proposed in order to maximise cost recovery and enable the existing income budget in this area to be met;

- Various increases within the Cemetery and Crematorium are proposed in order to match inflation and supplier price increases, maximising cost recovery;
  - Certain tariffs for the market have been removed in order to simplify the charging structure in this area.
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## **2. AVAILABLE OPTIONS**

### Option 1

- 2.1 The Committee could approve the recommendations as set out in the report, adopting the revised fees and charges as proposed in Appendix 1. 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.

### Option 2

- 2.2 The Committee could agree different increases to those proposed within Appendix 1. Any alternative increase may not be fully compliant with the policy, would require further consideration before implementation and may not deliver the necessary levels of income to ensure a balanced budget for 2018/19. The impact on demand for a service should also be taken into account when considering increases to charges beyond the proposed level.

### Option 3

- 2.3 The Committee could reject the proposed changes and leave all fees at the current level. However, this would limit the Council's ability to recover the cost of delivering discretionary services, and could result in the Council being unable to set a balanced budget for 2018/19.
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## **3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 3.1 Option 1 as set out above is recommended as the proposed fees and charges shown within Appendix 1 have been developed by budget managers in line with the Council's Charging Policy. The proposed charges are considered appropriate and are expected to create a manageable impact on service delivery whilst maximising cost recovery.
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## **4. RISK**

- 4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.
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## **5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

5.1 No specific consultation has been completed on these fees and charges but the previous resident's survey included questions relating to direct payment for services and this option was seen by residents as the second most popular way of managing pressures on council budgets, with 19.7% of responders voting in favour of this option.

## 6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 Fees and charges are being considered by service Committees throughout December and January, with an overarching report to Policy & Resources Committee on 24 January 2018.

## 7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<ul style="list-style-type: none"> <li>The Council's policy on charging</li> </ul>	Head of Finance
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>Risk implications have been set out in section 4 of the report.</li> </ul>	Head of Finance
<b>Financial</b>	<ul style="list-style-type: none"> <li>Financial implications are set out in the body of the report. If agreed, this income will be incorporated into the Council's medium term financial strategy for 2018/19 onwards.</li> </ul>	Head of Finance
<b>Staffing</b>	<ul style="list-style-type: none"> <li>We will deliver the recommendations with our current staffing.</li> </ul>	Head of Finance
<b>Legal</b>	<ul style="list-style-type: none"> <li>Section 93 of the Local Government Act 2003 permits best value authorities to charge for discretionary services provided the authority has the power to provide that service and the recipient agrees to take it up on those terms. The authority has a duty to ensure that taking one financial year with another, income does not exceed the</li> </ul>	Keith Trowell, Interim Team Leader (Corporate Governance)

	<p>costs of providing the service.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>	
<b>Privacy and Data Protection</b>	<ul style="list-style-type: none"> <li>• No specific impact identified.</li> </ul>	Legal Team
<b>Equalities</b>	<ul style="list-style-type: none"> <li>• The recommendations do not propose a change in service therefore will not require an equalities impact assessment</li> </ul>	Equalities and Corporate Policy Officer
<b>Crime and Disorder</b>	<ul style="list-style-type: none"> <li>• No specific impact</li> </ul>	Head of

	identified.	Finance
<b>Procurement</b>	<ul style="list-style-type: none"> <li>No specific impact identified.</li> </ul>	Head of Finance

## **8. REPORT APPENDICES**

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

- Appendix 1: Proposed fees & charges 2018/19 (Heritage, Culture & Leisure Committee)

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## **9. BACKGROUND PAPERS**

Charging Policy: <http://aluminum:9080/documents/s58019/Appendix%201%20-%20Charging%20Policy%20November%202017.pdf>