

Committee: Environment Committee

Agenda Item

Date: 18 November 2008

12

Title: Review of fees and charges

Author: Roger Harborough, Acting Director of
Development

Item for decision

Summary

1. The Council makes a number of fees and charges for services covered by this Committee. This report invites a review of those fees and charges, as part of the Council's budget process.
2. The Government has increasingly restricted its funding for local authorities by containing its formula funding; capping the level of council tax increases and by controlling the levels of some fees and charges.
3. The Audit Commission's report on fees and charges in local government (January 2008) recognises that 'with constraints on resources and rising demands on their services, councils have to make decisions about what services they can afford to provide, to which individuals or groups, and how the services will be funded'.
4. The constraints on funding mentioned by the Audit Commission include the fact that the Council faces an increase of just 0.5% in its Revenue Support Grant, at a time when inflation is around 5%.
5. Suggested amendments to fees and charges under the remit of this Committee are attached to this report.

Recommendations

6. That the Committee determines its proposals for fees and charges for 2009/10, for inclusion in the budget.

Background Papers

7. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author.
 - "Positively Charged" – Audit Commission, Public Services National Report, January 2008.
 - Uttlesford District Council Budgets 2008/09

Impact

- 8.

Communication/Consultation	Some fees and charges are subject to
----------------------------	--------------------------------------

	statutory requirements for communication and consultation.
Community Safety	None
Equalities	Concessions (currently being reviewed by the Scrutiny Committee) should meet requirements for equality.
Finance	Fees and charges provide an important part of the Council's income.
Human Rights	None specific
Legal implications	The level of charges for some services is subject to statutory provisions.
Sustainability	Some services for which charges are made have an impact on sustainability, and related fees and charges need to be set accordingly.
Ward-specific impacts	District wide
Workforce/Workplace	None specific

Situation

9. The Government has increasingly restricted its funding for local authorities by containing its formula funding; capping the level of council tax increases; and by controlling the levels of some fees and charges.
10. The Government has recognised the increasing dependence of local authorities on revenue from fees and charges. The Local Government Act 2000, and the "well being" powers granted under that Act sought to encourage local authorities to exercise greater powers for trading and charging for services, specifically to generate income for investment in local services.
11. In recognition of the importance of fees and charges to councils, the Audit Commission published a report called "Positively Charged" in January 2008. The report states that:

"Many councils, and the bodies that represent them, believe that the funding they get from central government is insufficient to deliver the level of public services that local people want and need."

"With constraints on resources and rising demands on their services, councils have to make decisions about what services they can afford to provide, to which individuals or groups, and how the services will be funded. They are increasingly looking to opportunities for local income generation to bridge the gap between what they want to spend and what central government provides."
11. The report goes on to suggest that
 - Councils do not always make the most effective use of their charging powers

- Councils' perceptions of local opposition to charges are not always backed up by robust evidence; and
 - Councils will need to change their approaches to charging if they are to use it to achieve their financial and strategic objectives.
12. As part of the budget process for 2009/10, all fees and charges relevant to a particular committee are being brought together in a single report, so that members can consider the proposals as part of a corporate approach to income generation.
 13. The attached table shows the current set of charges for the services covered by this Committee. The table includes an indication of when charges were last increased as well as the projected impact of the suggested changes on the budget.
 14. The constraints on funding mentioned by the Audit Commission include the fact that the Council faces an increase of just 0.5% in its Revenue Support Grant, at a time when inflation is around 5%. Bearing in mind the Council's own financial position and likely impact of the changes on service users in the present financial climate, the Committee is invited to consider the proposals contained in the table.
 15. The Scrutiny Committee is currently reviewing the approach to concessions for fees and charges, with particular reference to ensuring equality of treatment across the range of charges and the likely service users. Any recommendations that emanate from that review will need to be assessed as to the likely impact on the budget forecast.
 16. It is proposed to bring forward to the Council a suggested pricing and concessions policy, which could be applied from 2010/11 onwards, in order to ensure consistency across the organisation. At that stage, it would also be appropriate for the Council to consider other possible income streams that might help to bridge the growing gap between revenue income and expenditure; something that is facing all local authorities.

Risk Analysis

17

Risk	Likelihood	Impact	Mitigating actions
Failure to determine charges in line with statutory requirements	1 The timetable for consideration of the charges allows for statutory consultation	1 Existing charges remain in place pending any review	Timetables in place

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary,
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.