

REDDITCH BOROUGH COUNCIL

OVERVIEW & SCRUTINY COMMITTEE

27th October 2010

IMPACT OF THE COUNCIL'S CHARGING POLICY ON THE COUNCIL'S FEES AND CHARGES SETTING PROCESS

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| Relevant Portfolio Holder | All |
| Relevant Head of Service | All |

1. SUMMARY OF PROPOSALS

To report to members on the impact of the Council's Charging Policy on the Council's fees and charges setting process.

2. RECOMMENDATIONS

That subject to any comments, the report be noted.

3. BACKGROUND

- 3.1 The Council's Charging Policy and Procedures was approved by members on the 30th June 2008. The Policy and Procedures were developed by an Overview and Scrutiny Task and Finish Group.
- 3.2. The Task and Finish Group proposed that the charging policy adopted by each service should be reviewed at least every four years. Actual charges would continue to be reviewed annually, based on the report already provided under the existing arrangements.
- 3.3. It was anticipated that there would, on an annual basis, be a headline review of charges to include information regarding the charging arrangements for each service, but not for each activity.

4. KEY ISSUES

- 4.1 A Fees and Charges Sub-Committee was established to undertake a detailed review of fees and charges. The first meeting of the Sub-Committee took place on 19th June 2008. The Sub-Committee undertook a detailed examination of each service area where fees and charges apply. The basis for this examination was the template attached at Appendix 1.
- 4.2 This process involved members, including portfolio holders entering into detailed discussions with relevant officers to discuss the role of fees and charges within individual service areas. Members examined the level of subsidy in place, the reason for the subsidy and the potential impact of any change. The potential impact of market forces were also considered and

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the level of charges in place in neighbouring or similar authorities. Discussions were also had with regard to the potential for introducing new charges. This process was resource intensive in terms of both officer and member time.

- 4.3 The fees and charges report for 2009/10 was based on the work of the Fees and Charges Sub-Committee.
- 4.4. On an annual basis Budget Guidelines, which include a percentage increase to be applied to fees and charges, are produced and approved by members with regards to an overall increase in income to be generated by fees and charges. This purpose of this increase has generally been to maintain the relative relationship of income to expenditure within a service area. The discretion to vary the level of increase within a service area has been left to Heads of Service in consultation with portfolio holders.
- 4.5. In addition to the annual review of fees and charges separate reports have been produced where a new charge/service has been proposed e.g. garden waste collection and pre-planning advice.
- 4.6. The provision of headline information to members on an annual basis has not happened.

5. FINANCIAL IMPLICATIONS

Fees and charges make a significant contribution to the Council's overall financial position.

6. LEGAL IMPLICATIONS

The ability of the Council to set its own fees and charges is determined by a range of legislation. Some fees and charges are determined by legislation. In other cases legislation provides the powers for the Council to levy a charge.

7. POLICY IMPLICATIONS

Discretionary fees and charges can be used to support Council policy.

8. COUNCIL OBJECTIVES

Some fees and charges can be used to support the Council's objectives.

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**9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY
CONSIDERATIONS**

If fees and charges are not reviewed on a regular basis there is a risk that there will be a disproportionate increase in the cost of services.

10. CUSTOMER IMPLICATIONS

Changes to fees and charges will have implications for customers which may positive or negative.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

Fees and charges can be used to address issues of equality.

**12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET
MANAGEMENT**

Fees and charges levied on service users of discretionary services reduce the council tax burden on non-users.

13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

There are no climate change, carbon implications or biodiversity implications.

14. HUMAN RESOURCES IMPLICATIONS

There are no human resource implications.

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

The impact of changes to fees and charges are monitored by budget holders.

**16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF
CRIME AND DISORDER ACT 1998**

There are no community safety implications.

17. HEALTH INEQUALITIES IMPLICATIONS

Fees and charges can be used to address health inequalities.

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18. LESSONS LEARNT

Some aspects of the Charging Policy and Procedures are still to be implemented.

19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

There has been no community or stakeholder engagement in the preparation of this report.

20. OTHERS CONSULTED ON THE REPORT

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| Portfolio Holder | No |
| Chief Executive | No |
| Executive Director (S151 Officer) | No |
| Executive Director – Leisure, Cultural, Environmental and Community Services | No |
| Executive Director – Planning & Regeneration, Regulatory and Housing Services | No |
| Director of Policy, Performance and Partnerships | No |
| Head of Service | No |
| Head of Resources | Author |
| Head of Legal, Equalities & Democratic Services | No |
| Corporate Procurement Team | No |

21. WARDS AFFECTED

All Wards.

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22. APPENDICES

Appendix 1 - Template used by Fees and Charges Sub-Committee.

23. BACKGROUND PAPERS

Fees and Charges (Executive) Sub-Committee papers 19th June 2008.

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