

**REPORT TO:** Corporate Policy and Performance Board

**DATE:** 11 September 2014

**REPORTING OFFICER:** Strategic Director, Policy and Resources

**PORTFOLIO:** Resources

**SUBJECT:** Establishment of a “Fees and Charges” Topic Group

**WARDS:** All

## **1.0 PURPOSE OF REPORT**

1.1 The purpose of the report is to propose the establishment of a “Cross-Policy and Performance Board” Topic Group to examine the potential the Council has to increase income from “fees and charges”, given the current pressures on its budget and its ability to continue to deliver essential services.

## **2.0 RECOMMENDATION: It is recommended that:**

- (1) the Topic Group be established as outlined in this report;**
- (2) a member from this PPB be nominated to sit on and Chair that Topic Group;**
- (3) each of the other PPBs be asked, via the Chair, to nominate a member to sit on that group;**
- (4) the Chairs of the Regulatory and Development Control Committees be invited to attend the group; and**
- (5) the Group report its findings back to this Board, with a view to forming final recommendations to the Executive Board.**

### **3.0 SUPPORTING INFORMATION**

- 3.1 The Council continues to face significant challenges in delivering a balanced budget, given the continuing reduction in Government grants. It is getting increasingly difficult to deliver essential services in the current financial climate.
- 3.2 A piece of work was initiated which benchmarked the Council with similar Councils, in relation to the income it was currently generating from “fees and charges”. Fees and charges essentially cover those services for which the Council charges, over and above those which are financed via the general Government grant and Council Tax.
- 3.3 That research revealed that in comparison with a list of similar Councils, this Council was second from the bottom in relation to the amount of money it was generating in relation to the size of its overall budget. There could be many explanations for the position and this is a particularly complicated area, as there are literally hundreds of individual fees and charges the Council currently administers.
- 3.4 It is felt that, given both the results of that research and the Council's current financial position, that this issue is worthy of further more detailed examination. The Chairs' Group have suggested that a Topic Group be set up under the auspices of this Board, with cross-PPB representation, given that each PPB has a clear interest in this topic.
- 3.5 Whilst it will be up to the Topic Group to agree a detailed terms of reference and methodology, it is felt that the Group should:
- gain a greater understanding of the research undertaken and why the Council is in the position it is;
  - having done that examine the options available to the Council through
    - increasing charges
    - introducing new charges
    - looking at other ways of increasing its income
  - the Group would need to consider the risks involved in any recommendations given the pressures on the budgets of residents and businesses that already exist.

#### **4.0 MEMBERSHIP**

4.1 It is suggested that membership be drawn from each Policy and Performance Board and, given the respective responsibilities of the Development Control and Regulatory Committees, that the Chairs of those Committees be invited to attend meetings of the Group.

4.2 It is further suggested that each PPB Chair be asked to nominate a member to sit on the Group and that the nominated member from this Board Chairs the Group, given that the final report and recommendations will come back to this Board.

#### **5.0 POLICY IMPLICATIONS**

5.1 Existing charging policies of the Council may well be challenged by this piece of work, however, any changes in policy would require the formal approval of the Executive Board.

#### **6.0 OTHER IMPLICATIONS**

6.1 Opportunities to increase the Council's income will assist the Council in protecting essential services.

#### **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 Increased income will assist the Council in delivering on its priorities.

#### **8.0 RISK ANALYSIS**

8.1 There are clearly risks associated with either increasing or introducing new fees and charges. Issues such as the ability to pay, together with the costs of collection need to be factored into the work of the Group.

#### **9.0 EQUALITY AND DIVERSITY ISSUES**

9.1 An equality impact assessment may be required for any change in charging policy or policies.

#### **10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

10.1 Benchmark exercise with other local authorities.

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