

EAST HERTS COUNCIL

COMMUNITY SCRUTINY – 22 SEPTEMBER 2015

REPORT BY EXECUTIVE\_MEMBER FOR FINANCE & SUPPORT SERVICES

REVIEW OF FEES AND CHARGES CALCULATIONS AND LEVELS

WARD(S) AFFECTED: ALL

**Purpose/Summary of Report**

- To provide Community Scrutiny with an opportunity to review the current structure of fees and charges within the Community service areas.

**RECOMMENDATION FOR COMMUNITY SCRUTINY COMMITTEE:**

**That:**

<b>(A)</b>	<b>Community Scrutiny consider the need for any further research by officers with regards to revising the fees and charges structure for 2016/17, for services under the remit of Community Scrutiny; and</b>
<b>(B)</b>	<b>Officers be advised of any areas of fees and charges (under the Community Scrutiny remit), that should be considered for change as part of the budget setting process for 2016/17.</b>

1.0 Background

1.1 The Council has a set of key principles on which fees and charges should be set.

1.2 These include:

- Any subsidy from Council Tax payers should be a deliberate decision by members.
- Discretionary fees should generate income to help deliver improvements in priority services.
- Discretionary fees and charges should support the MTFP.

- A measure of consistency in setting charges for similar services should be applied.
- The level of fees and charges should be set to avoid unnecessary subsidies from the council taxpayer to commercial operations.
- If the impact of any increase is likely to be high then consideration be given to the phasing of changes over a period of time.

1.3 When setting the budget for 2015/16, Members reviewed the fees and charges as part of the budget setting process.

1.4 Members requested a more detailed review take place for 2016/17 onwards and therefore each Scrutiny committee will receive a report on the current fees and charges relating to its remit.

1.5 This report gives an indication of the current fees and the level of discretion the Council has in setting the fee level.

1.6 There are 3 types of charges:

1. Those that are set statutorily, over which the Council has no control to change
2. Those that are set for full cost recovery i.e. set according to the cost of the service
3. Those that the Council has full discretion over setting the level of fees and charges.

1.7 The reasons for setting certain levels of fees may be determined by the following factors:

- Understanding the wider market of a service and therefore the price that can be reasonably demanded for a particular service.
- Setting the level of the fee to manage demand - either to encourage or discourage behaviour.
- Consideration of the impact of changes in fees on particular groups or individuals.
- Wider financial implications for the Council or its partners.

2.0 Report

2.1 **Essential Reference Paper “B”** contains a list of the fees and charges that relate to Community Scrutiny. The table shows the fee for 2014/15 and for 2015/16 and other information including the

basis for charge, the setting of the charge and more detail on the service provision.

2.2 For those charges where the Council has discretion over the level of fee set, there is an opportunity to consider the introduction of any changes to the fee levels as detailed in **Essential Reference Paper “B”** as part of the Council’s new overall Finance and Business Planning process that is currently in progress.

2.3 In terms of reviewing the Councils fees and charges, there is an opportunity to consider the following:

- Whether there are any services that are not currently charged for, but could be in the future
- Whether there are further discretions or concessions that Members would like to be considered
- Whether there are other changes to the fees and charges structure that Members would like Officers to research for consideration

2.4 Should Community Scrutiny decide that areas of the fees and charges merit attention for further work; officers will research and prepare options based on Community Scrutiny’s requests. These will then be presented as options to be considered as part of the budget setting process for 2016/17 – 2019/20.

### 3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper A**.

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