

Fees and Charging Policy

The Council approved a new Fees and Charging Policy in November 2010 as part of its financial plans at that time. The policy has not been reviewed or updated since.

An updated and revised policy is set out below:

Introduction

1. The Council provides a wide range of services to the residents and businesses in its district. Some of these services are statutory and must be provided by the Council, but others are discretionary.
2. Councils are able to provide additional non-statutory services and charge for these services under the Local Government Act 2003. This includes any enhancements to statutory services.
3. Fees and charges are a very important source of income to the Council, enabling important services to be sustained and provided. The Council generates approximately £18m of income each year from fees and charges for its services. Some of these fees are mandatory and the Council has no discretion over the level of fees charged, however, many others are discretionary.
4. The level of fees and charges can influence the way in which services are used, such as promoting access to certain services or to help prevent wasteful use of a service.
5. This policy confirms the Council's basic principle of "the service user pays" and that charges for discretionary services are expected to be set in order to fully recover their costs as a minimum, unless there is an existing policy or members' decision not to do so. It is important to highlight that where a discretionary service does not recover the full cost, then the service user is being subsidised by the tax payer.
6. The policy gives a framework under which fees and charges are set, thereby ensuring that all services adhere to the same procedures and a consistent approach when setting charges across all council services.

Policy Purpose

7. The purpose of this policy is to:
 - Clarify the mechanism for setting each fee and charge;
 - Provide greater transparency and public accountability by outlining the rationale behind fee and charge setting;
 - Ensure that fees and charges maximise community benefit from Council goods and services;
 - Ensure that fees and charges contribute to community outcomes and Council objectives and priorities;
 - Achieve legal compliance;

- Encourage sustainable use of and fair access to council services, through carefully considered fees and charges;
- Minimise the burden on the Council Tax or Business Rate payers where goods and services principally benefit distinct groups or individuals, by defining those circumstances where a fee or charge is appropriate;
- Provide a fee/charge setting process that is flexible, adaptable and able to meet changing circumstances; and,
- Ensure that fees and charges recover actual and reasonable costs as a minimum, unless there are valid policy reasons not to do so.

Policy Statements

8. Fees and charges will be put in place to provide the best overall value for residents, businesses and the community. This will mean that some services will be charged at a commercial rate, whereas others will be subsidised to encourage their use. Where statutory charges are in place, these will be included at the statutory rate.
9. Where possible income will be maximised to contribute towards service delivery. This does not, however, mean that the cost of all services will be fully charged as this may not be appropriate in all service areas.
10. It is the responsibility of the Service Manager to set the fees and charges for their services, ensuring that they are fixed at the correct level and approved appropriately via the annual budget process. Where relevant benchmarking against other councils or providers will be undertaken to aid fee setting.
11. New fees and charges put forward that significantly deviate from this policy will need approval by Cabinet or by the relevant Committee under delegated authority.

Charge Setting

12. In setting charges, any relevant government guidance will be followed. Stakeholder engagement and comparative data will be used where appropriate to ensure that charges do not adversely affect the take up of services or restrict access to services.
13. Full consideration will be given to the costs of administration and the opportunities for improving efficiency and reducing bureaucracy. The preference is for services to gain upfront payment for services or at the point of service delivery where appropriate, and not to rely on invoicing.

Charging Policy

14. Fees and charges will be set using the following charge types:

Charge Type	Detail
Statutory	Fees are set by Government and are to be charged at the statutory rate.

Charge Type	Detail
Commercial	Fees set in line with other providers, influenced by market forces including competitors, and may include benchmarking against other local authorities.
Full Cost Recovery	Fees set based on recovering the full cost of providing the service.
Subsidised	Fees set at below the cost of providing the service, meaning part of the service is funded by other council income such as Council Tax and Business Rates. *
Nominal	Fees set at a nominal fee, meaning most of the service is funded by other council income such as Council Tax and Business Rates. *
Free	Fees not charged. All of the service is funded by other council income such as Council Tax and Business Rates. *

* Each of these requires a policy or formal member resolution to subsidise the service.

Discount and Concessions

15. Sometimes discounts or concessions are made available for some services. This could be to ensure that everybody has access to a service, or to provide some services at a reduced cost to certain groups to encourage the use of the service, or as part of a promotional event. In these cases there must still be appropriate governance arrangements, but this should be delegated to the portfolio holder and the relevant Director in consultation with the Director for Corporate Services. This will enable decisions to be taken swiftly and in the best interests of the council.

16. In Summary

16.1 Unless otherwise stated, all discretionary fees and charges will be reviewed annually by service managers, with the default assumption that all fees and charges be increased by the rate of inflation as determined by the Director for Corporate Services and agreed in the Financial Strategy.

16.2 Service Managers are expected to review all fees and charges and have discretion to deviate from this base position of inflationary uplifts authorised by the relevant Director in consultation with the Director for Corporate Services. The review should take into consideration the cost of providing the service, inflationary uplifts, as well as service information and knowledge on market conditions or the impact of fee charges on service users. This will also include a review of any discounts and concessions.

16.3 Service managers and portfolio holders need to consider current charges, and the possibility of new charges, and whether those charges should fully offset the cost of the service or not, or be based on market rates evidenced by benchmarking.

- 16.4 Consider whether the charges are consistent with other council policies and strategic aims, including access to services for those who may have difficulty paying.
- 16.5 Where a service proposes the introduction of a new charge, or to subsidise a service by charging less than the cost, then either as part of the service planning process or separately, these should be approved by Cabinet in advance of the forthcoming financial year.
- 16.6 Service users and other stakeholders should be consulted where changes are significant, and impact assessments undertaken, if appropriate.
- 16.7 Directors to be able to alter charges during the year in consultation with the portfolio holder and the Director for Corporate Services (Section 151 Officer).
- 16.8 New fees will generally be implemented from 1 April each year.