

REPORT TO CABINET

REPORT OF: CORPORATE HEAD OF FINANCE AND CUSTOMER SERVICES

REPORT NO.: CHFCS02

DATE: 3 November 2008

TITLE:	FEES AND CHARGES STRATEGY
FORWARD PLAN ITEM:	Yes
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	July 2008

KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	KEY DECISION	
COUNCIL AIMS/ PORTFOLIO HOLDER NAME AND DESIGNATION:	COUNCILLOR MRS SPENCER-GREGSON O.B.E.	
CORPORATE PRIORITY:		
INITIAL IMPACT ASSESSMENT:	Carried out and appended to the report: Yes	Full impact assessment required:
Equality and Diversity	N/A	
Crime and Disorder	N/A	
Risk	N/A	
Climate Change	N/A	
Health and Safety	N/A	
Data Quality	N/A	
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Local Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS:		

1. INTRODUCTION

Fees and charges are an important source of revenue for the Council generating over £6M for 2007/08. However, charges do more than just raise income; they play a significant role in the achievement of range of Council services.

Broadly, fees and charges fall into one of two categories:

- Non-discretionary (statutory) – these are set by the Government and include planning, licensing, etc.
- Discretionary (there is no legal obligation) – these are set by the Council in line with the current policy for services such as Leisure, Arts and Car Parking.

It is important that the Council systematically and consistently reviews fees and charges and identifies opportunities for new charges as part of the annual budget setting cycle.

2. RECOMMENDATION

The Cabinet is asked to approve the Fees and Charges Strategy appended to the report.

3. DETAILS OF REPORT

The Fees and Charges Strategy was approved by Cabinet in December 2006 and since that time the principles for the setting of fees and charges have been incorporated within the cyclical service planning process. With the publication of a national review on the subject by the Audit Commission entitled 'Positively Charged – Maximising the benefits of Local Public Sector Charges' it is appropriate to review the Strategy to ensure it reflects the findings of this review. Furthermore the Strategy needs to provide a framework and key principles that need to be adopted in the annual review and setting of General Fund Fees and Charges. It is important for this Strategy to become embedded and linked to the Council's Medium Term Financial Plan (MTFP). It should also compliment the Council's key objectives and priorities, i.e. as reflected in specific subsidies and concessions where there is a need to ensure comprehensive participation by the local community.

Increasingly, there is a need to demonstrate the costs of chargeable services and the extent of any subsidy or concession. To achieve this, activity based

costing models will be introduced (starting in the 2009/10 budget setting process) and phased in to cover all fees and charges in order to capture the costs (including overheads) associated with providing the service.

4. OTHER OPTIONS CONSIDERED AND ASSESSED

This strategy is updated from the strategy adopted by Cabinet in December 2006.

5. IMPACT ASSESSMENT

An initial impact assessment has been undertaken. Impact assessments will be undertaken by the relevant service area where fees and charges are introduced.

6. COMMENTS OF SECTION 151 OFFICER

My comments are included in the report.

7. COMMENTS OF MONITORING OFFICER

Fees and charges are integral part of the annual budget setting process. It is important there is transparency when reviewing fees and charges.

8. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

Not relevant.

9. CONCLUSION/SUMMARY

Fees and charges are an important source of income for the council. The Fees and Charges strategy provides a framework for the annual review and setting process ensuring key principles are adhered to.

10. CONTACT OFFICER

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