

SOUTH RIBBLE BOROUGH COUNCIL

FEES AND CHARGES POLICY

Updated: November 2020

Background

1. The council's constitution outlines that it is the responsibility of each chief officer to agree its departmental charging policy in conjunction with the chief finance officer. It also stipulates that fees and charges should be reviewed annually.
2. A corporate led review of fees and charges has never been undertaken at South Ribble Council. The current approach to amending fees and charges is usually conducted independently by each service as and when it is required.
3. South Ribble Council does not have a definitive list of all the fees and charges it makes to its residents and service users. This policy will ensure that Fees and Charges are easier to access, are in similar formats and are up-to-date.
4. It is important that decisions are made consistently and adhere to the principles which are laid out within this document.

Aims of the Policy

5. South Ribble Council's fees and charges policy has been developed to ensure the charges for services across the Council are constructed in a consistent manner and that they meet the needs of the Council's Corporate Priorities. In addition, the policy sets out the review process for fees and charges to ensure fees remain up-to-date and that they continue to meet legislative requirements.
6. The specific aims of the policy are:
 - to create a co-ordinated approach to charging for discretionary services, that is applied across all services
 - to outline the key principles for charging by South Ribble Council
 - to distinguish between statutory and discretionary fees and charges
 - to set out an annual review process for all discretionary charges
 - to outline the key requirements when introducing new charges

Key Principles

7. Fees and charges are set to assist the Council in achieving its **Corporate Priorities**. Services must raise income wherever there is a duty to do so, and should raise income wherever there is a power to do so, unless the introduction of a charge would prohibit the achievement of specific corporate priorities.
8. In line with legislation, fees and charges are set to **recover full costs** including overheads, capital costs, indirect costs such as support services and costs of collection. Where the service user is subsidised by taxpayer this should be transparent and the reasons for this subsidy is made explicit.
9. Subject to restrictions, the council should aim to **maximise the potential to generate income**, for example, through differential charging.
10. Any **concessionary charges** for services should only be made available in the following circumstances:
 - To support a particular group(s) that enables the council to achieve its Corporate Priorities
 - To support low income users
 - To encourage take-up and therefore increase income overall
11. **New charges** should be considered a change in policy and therefore require equality impact assessments and approval by Full Council. This does not apply to the introduction of statutory charges.
12. Charges should be collected in a **simple** and **cost efficient** manner encouraging the use of direct debits and receiving payment at or prior to the point of service delivery
13. Charges should be **reviewed** by officers, where it is permissible and efficient to do so, on an **annual basis**, using clear and transparent evidence to set the level of charges. Where charges are not made for a service, or at a level below full cost recovery, the reasons for this should be considered as part of the review.
14. A comprehensive list of all the council's fees and charges should be published annually on the council's website

Legislation

15. The Local Government Act 2003 provides clarity over charging powers and is clear that a local authority can charge for discretionary services on the basis of recovering the full costs of providing the service but that, taking one year with another, the charges do not exceed the full costs of provision.
16. Other legal statutes the charging policy must adhere to are
 - Section 17 of the Crime and Disorder Act which requires councils to consider the crime and disorder implications of all decisions, and
 - Equalities Act 2010 to both promote equality and avoid discrimination.

Types of Fees and Charges

Statutory Fees

17. Where fees and charges apply to statutory services these are often set nationally, for example some planning fees and some licensing fees. The majority of statutory services, Building Control being a notable exception, are not funded directly from fees and charges but instead from the Council's other main sources of revenue, i.e. government grants and local taxation.
18. In many cases there is scope to provide discretionary services over and above the statutory service with the introduction of a supplementary charge, for example pre-application planning advice.

Reasonable Charges

19. Services that the council has a duty to provide and can make a 'reasonable' charge (for example commercial waste collection and disposal)

Discretionary Fees

20. Local Government Act 2003 provides clarity over charging powers and is clear that a local authority can charge for discretionary services on the basis of recovering the full costs of providing the service but that, taking one year with another, the charges do not exceed the full costs of provision.

The fees and charges policy will apply to any service that the council has a power and discretion to provide to the community, or has a statutory duty to provide, and has discretion to set a charge

Examples of Fees and Charges

Statutory Fees

Development Control
Licensing (with some exclusions)
Environmental Health

Reasonable Charges & Discretionary Fees

Building Control
Car Parking
CCTV
Cemeteries
Community Centres & Council Buildings
Council Tax & NNDR Summons
Credit Card Charges
Dog Wardens
Environmental Health
Events
Housing Standards
Land Charges
Open Spaces
Pest Control
Public Conveniences
Street Trading
Taxi Licenses
Waste and Recycling

The Review Process

21. All charges within the Council's control should be reviewed on an annual basis by officers where it is permissible and efficient to do so. The council's **finance team will lead on the review in consultation with service managers and directors.**
22. It is proposed that a **review of fees and charges will be taken annually to Executive Cabinet in January** alongside the draft budget report. This will be after the approval of the council's Corporate Strategy therefore ensuring that fees and charges are consistent with the strategy.
23. If the review includes the introduction of **new charges** the report must be **approved by Full Council.**
24. The officer's annual review of charges should not just include an inflationary uplift; the full cost of providing the discretionary service, current market conditions and other council's charges should also be considered. In addition, the charges must assist the council in delivering its corporate strategy priorities
25. Where discretionary charges are not made for a service, or at a level below full cost recovery, the reasons for this should be considered as part of the review.

Introducing New Charges

26. Charging can be an instrument to help the council achieve its corporate priorities, for example by targeting service users and influencing behaviour. In addition, the introduction of charges may allow a discretionary service to enhance its provision, thereby improving the offer to the service user.
27. The introduction of a new charge should be made in line with the key principles of the council's Fees and Charges Policy. If it represents a change in policy then it must gain approval by Full Council and include an equality impact assessment. This does not apply to the introduction of statutory charges.
28. The process of introducing of a new charge will be led by the relevant service and must be done in collaboration with the Policy and Governance Directorate.
29. There is no prescriptive process in calculating and introducing a new charge however listed in the table below are things officers should consider.

Question	Considerations
What corporate priorities will the charge meet?	Encourage access to services Discourage behaviours Fund new services or provide enhanced services
Who is using the service?	Socio-economic, age, gender, race Locations the service used The time the service is used
What impact will the charge have on service use and service users?	Encourage access to services Discourage behaviours Create new behaviours that increase costs to the Council e.g. fly tipping
What is the charging policy?	Break-even Subsidised – if so what are the reasons?
What is the impact on income?	Benchmarking How will a change in charge affect a change in demand?
What is the impact on expenditure?	Are there future cost pressures that need to be factored in? Are all costs including recharges included in the model? Consider the split of capital and revenue expenditure
What is the impact on the wider public?	Reputational risks to the Council