

**Cherwell District Council**  
**Budget Planning Committee**

**11 March 2014**

<b>Fees and Charged Review 2014-15</b>
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**Report of Interim Head of Finance and Procurement**

This report is public

### **Purpose of the Report**

The report summarises the fees and charges that have been built into the 2014-15 revenue budget for council products and services.

### **1. Recommendations**

The meeting is recommended to:

- 1.1 Consider the contents of this report.

### **2. Introduction**

- 2.1. Fees and charges form an important element in the annual budgeting process. This report provides Budget Planning Committee with information on the fees and charges that have been used for 2014-15.

### **3. Report Details**

- 3.1. The budget setting process for 2014-15 has included several different work streams to identify savings to balance the budget. These include efficiency targets and building blocks. Within each of these work streams are savings that can be attributed to an increase in income from fees and charges. Whereas other savings are due to a reduction in costs or increase in grants or third party income.
- 3.2. The increases in fees and charges income may be due to increased fees and charges or increased demand for those services. This report provides details of the fees and charges and also shows separately the additional income for 2014-15 that have been built into the draft budget.
- 3.3. Details of the 2014-15 charges for Council services are included in the tables in Appendix 1.

- 3.4. Increased income from fees and charges within other work streams are as follows:
- 3.5. Building Blocks generated savings of £233,313 of which £132,750 was from increased income budgets. This is made up of £100,000 Planning income and £25,000 from Land Charges.
- 3.6. Efficiencies generated savings of £462,920 from increased income budgets. This is principally made up of £43,000 from Environmental Services shared working with South Northants; £69,000 from the sale of more tonnes of recyclables; £75,000 additional planning income and £276,000 from increased rental income.
- 3.7. All of these additional income streams have been incorporated into the revenue budget (£595,670 in total). The Revenue Budget 2014-15 was approved by Council on 24 February 2014.

## **4. Conclusion and Reasons for Recommendations**

- 4.1. This report is for members' information.

## **5. Consultation**

- 5.1. This report has been prepared following consultation with Heads of Service who have submitted their proposed changes to fees and charges.

## **6. Alternative Options and Reasons for Rejection**

- 6.1. The following alternative options have been identified and rejected for the reasons as set out below.
- 6.2. As this is a report for information and consideration no alternative options have been considered.

## **7. Implications**

### **Financial and Resource Implications**

- 7.1. These are contained in the body of the report. There are no direct costs or other direct financial implications arising from this report.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

## **Legal Implications**

- 7.2. Presentation of this report is in line with the CIPFA Code of Practice. Most fees and charges are either statutorily set or are based on recovering the cost to the Council of providing the service.

Comments checked by: Kevin Lane, Head of Law and Governance  
0300 0030107 [kevin.lane@cherwellandsouthnorthants.gov.uk](mailto:kevin.lane@cherwellandsouthnorthants.gov.uk)

### **Risk Management**

- 7.3. There are many risks associated with charging for services, for example:
- Charging for services may present a barrier to service use for some people
  - Charging may produce negative views/press as it may not be seen as equitable, for example if different areas pay different amounts for the same service, or it may be seen as double taxation
  - Charging for a service on a cost recover basis may not be competitive and could affect local businesses

The current economic situation may mean that there is less demand for the services for which we currently charge. The price elasticity of demand is difficult to predict for our services at any time but this is particularly true in a quickly changing economy. The risks are tolerable.

Comments checked by: Claire Taylor, Business Transformation Manager  
0300 0030113 [claire.taylor@cherwellandsouthnorthants.gov.uk](mailto:claire.taylor@cherwellandsouthnorthants.gov.uk)

### **Equality and Diversity**

- 7.4. No impact – although fees and charges may present a barrier to services for people on low incomes, this is unlikely to be a significant problem for the types of service that the Council currently charges for (listed in Appendix 1).

Comments checked by: Claire Taylor, Business Transformation Manager  
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## **8. Decision Information**

### **Wards Affected**

All

### **Links to Corporate Plan and Policy Framework**

All

### **Lead Councillor**

Councillor Ken Attack – Lead Member for Financial Management

## Document Information

<b>Appendix No</b>	<b>Title</b>
Appendix 1	Schedule of Fees and Charges 2014-15 TO FOLLOW
<b>Background Papers</b>	
None	
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