
Fees and Charges Task & Finish Group - Interim Report

Committee considering report:	Overview and Scrutiny Management Commission
Date of Committee:	29 November 2022
Task & Finish Group Chairman:	Councillor Tony Linden
Report Author:	Gordon Oliver
Forward Plan Ref:	OSMC

1 Purpose of the Report

This report presents the interim recommendations from the Fees and Charges Task and Finish Group.

2 Recommendation(s)

To consider the Task and Finish Group's interim proposals as outlined in Section 6 of this report and agree that these be referred to the Executive for consideration.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	None
Human Resource:	None
Legal:	None
Risk Management:	None
Property:	None
Policy:	None

	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	See full details within the report.			

4 Executive Summary

- 4.1 This report presents the interim findings of the Task and Finish Group set up by the Overview and Scrutiny Management Commission (OSMC) to review fees and charges across the Council. The recommendations set out in this interim report relate predominantly to the presentation of information in the fees and charges appendices of the annual Revenue Budget Report.

5 Supporting Information

Introduction

- 5.1 At its meeting on 25 January 2022, OSMC agreed to set up a Task and Finish Group to consider further options in relation to charging for West Berkshire Council's services. The following were highlighted as the key areas of focus for the Task and Finish Group and its subsequent recommendations:

- New proposals for Planning income;
- The Leisure Strategy and fees and income potentially arising from this;
- Other opportunities for commercial charging for services, particularly those provided by the following departments:
 - Development and Regulation
 - Communities and Wellbeing
 - Environment

- 5.2 In addition to exploring further opportunities for charging for Council services, the Task Group was also asked to consider the value for money of the fees and charges levied and the appropriate balance between affordability and income generation.

- 5.3 A copy of the Task and Finish Group's terms of reference is provided in Appendix A.

Background

- 5.4 The original intention was for the Task and Finish Group to report its findings to OSMC in September 2022. This would have allowed any recommendations to be incorporated into the budget reports that will be taken to Council in March 2023.

- 5.5 Unfortunately, the Task and Finish Group was delayed in starting its review. This was as a result of the need to extend the timescales for the preceding Customer Journey Task and Finish Group, which meant that resources were not available for the Fees and Charges review. Also officer and Member availability over the summer period resulted in further delays. As a result, the Task and Finish Group has only managed to meet twice before the end of October 2022. Details of the meetings are shown below.

Table 5.1: Details of Task and Finish Group Meetings

Meeting Date	Focus of Meeting	Witnesses
15 September 2022	<ul style="list-style-type: none"> Review of the terms of reference Work planning 	N/A
24 October 2022	<ul style="list-style-type: none"> Planning Fees and Charges Fees and Charges of Comparator Authorities 	Eric Owens Jean Marshall

5.6 Members of the Task and Finish Group wanted to bring an interim report to the OSMC meeting on 29 November 2022 to set out some preliminary proposals to the Executive in time for incorporation into the next set of budget reports, which are due to go to Council in March 2023. These proposals mostly relate to the content and presentation of information in the budget reports. Proposals relating to fees and charges for specific services will be included in the Task and Finish Group's final report, which will be presented to OSMC in March 2023.

Findings

5.7 The initial findings are based on a review of the Fees and Charges appendices of the Revenue Budget Report for 2022/23. Copies of these are included in Appendix B of this report. The Task and Finish Group also considered a selection of fees and charges reports from other local authorities.

5.8 Overall, Members considered that they were not provided with enough information in the fees and charges report to be able to make an informed decision about the proposed changes for the coming financial year. In particular, the following issues were highlighted:

- The level of income generated by each fee / charge and the amount of 'units sold' in previous years were not provided, so Members did not know:
 - how demand had responded to previous changes in fees / charges,
 - the relative importance of individual fees and charges to the Council's financial position; and
 - where they should best focus their attention when reviewing the proposed changes.
- It was not always clear if there was a statutory requirement to levy a fee / charge for a particular service, and if the Council had any say in setting the amount of that fee / charge, or if amounts were also set centrally.
- Information was not always provided within the report as to the justification for any changes to fees and charges, and for any variations in the level of proposed increases and decreases across the range of fees and charges levied by a particular Council department.

- Similarly, where a decrease or no change was proposed, it was not clear as to the reasons for this - for example, Parking and Public Transport remained unchanged in 2022/23, but there was no accompanying narrative to explain why.
- The percentage change of each fee / charge relative to the previous year was not provided in all cases.
- Where it was proposed to raise fees and charges in line with inflation, it was not clear as to why a particular measure of inflation had been chosen, i.e. CPI vs RPI.
- Information was not provided about how recently a particular department had carried out a benchmarking exercise in relation to fees and charges, or what the findings of the benchmarking had been.
- The reports did not provide an estimation as to the likely impact of variations to fees and charges on the amount of revenue that would be generated in the coming year – this must be known in order to be able to build future budgets.

6 Proposals

6.1 In order to address the issues identified in Section 5 above, the Task and Finish Group wishes to put forward the following proposals to amend the fees and charges appendices of the Revenue Budget Reports in future years.

- (a) Provide details of the level of income for each fee / charge in the preceding year and (if possible) the number of 'units sold' – where this is not possible (e.g. due to a lack of granularity in the cost centres used), revenues for groups of fees and charges should be provided.
- (b) There should be a clear and consistent key used throughout the document to identify:
 - which fees / charges are statutory with levels determined centrally;
 - which fees / charges are statutory with local discretion as to the levels;
 - which fees / charges are discretionary and in the Council's control.
- (c) There should be a short accompanying narrative to explain the rationale for any increments, decrements in fees / charges, or for keeping them unchanged – if there are variations within a group of fees / charges, the reasons for the variations should be made clear.
- (d) The percentage increase / decrease should be provided alongside the existing and proposed fees in all cases.
- (e) The reason for including a particular measure of inflation should be made clear, and if there is evidence of changes in costs that are unique to a particular service that are significantly different to the general inflationary figure, then consideration should be given to tailoring proposed increases / decreases accordingly.

- (f) All Council departments should be required to undertake benchmarking of fees and charges on a regular basis and the report should indicate when the latest benchmarking exercise has been completed in relation to each set of fees and charges.
- (g) The report should provide an estimation as to the likely impact of the changes in fees and charges on the level of future income.

7 Other options considered

OSMC may choose to accept the Task and Finish Group's recommendations in full or in part, or amend the recommendations before putting them to the Executive. Alternatively, OSMC may choose not to put any of the Task and Finish Group's recommendations to the Executive if it feels they are not appropriate.

8 Conclusion

- 8.1 The recommendations outlined in Section 6 above have been agreed by the Task and Finish Group and relate to the aspects of the review completed to date. It is considered that these would help to improve Member understanding and engagement with the Fees and Charges aspects of future Revenue Budget Reports.

Further Work

- 8.2 Further recommendations will be made as part of the Task and Finish Group's final report, which will be presented to OSMC in March 2023. Over the intervening period, the Task and Finish Group will be undertaking further interviews with individual services. The Task Group will also be looking at best practice case studies.

9 Appendices

Appendix A – Fees and Charges Task and Finish Group Terms of Reference

Appendix B – Fees and Charges appendices of the Revenue Budget Report for 2022/23

Background Papers:

['Fees and Charges, Overview and Scrutiny Management Commission, 25 January 2022](#)

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval ☐

Delays in implementation could have serious financial implications for the Council ☐

Delays in implementation could compromise the Council's position ☐

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months ☒

Item is Urgent Key Decision ☐

Report is to note only ☐

Wards affected: All wards

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