

Southend-on-Sea Borough Council

Fees and Charges Policy – September 2018

Raising revenue from charges for services is an important element in the overall financing of the Council's services and activities and a key element for financial self-sustainability. It can in other circumstances play a range of other roles, including demonstrating the value of a service or discouraging abuse of a service. It can also play a role in furthering desirable strategic outcomes. Consideration is therefore given on a regular basis to the scope for raising revenue through charges for services and to reviewing the appropriateness and adequacy of the levels of charges being proposed or actually in force.

In accordance with best practice, the Council will:

- undertake regular reviews of the approach to charging, both within service areas and across the whole council
- engage service users in decisions about whether and at what level to charge for services
- collect and use information on service usage and the take-up of concessions, and examine the impact of charges on individual households, to assess whether equality and diversity objectives have been achieved.

This policy is Southend-on-Sea Borough Council's approach to setting fees and charges and allowing concessions. It sets out the principles that the Council will use when setting a charge for services. It ensures consistency in charging customers and community groups. The Council is committed to the highest possible standards of openness and accountability. This policy is driven by those values. Fees and charges will be pitched to deliver the Council's overall outcomes whilst protecting the most vulnerable citizens of Southend.

1. In scope

All discretionary fees and charges (except the Parking charging policy, which will be considered separately)

2. Key Principles

The charging policy will apply across the whole Council. The default position should be to at least recover the cost of providing the service through the fees charged. Where appropriate the Council may knowingly determine not to recover the full cost of some services because of the social impact or other policy reasons including the safeguarding of tourism revenues.

Decisions on prices will take account of/balance the following factors;

- Impact on the Council's strategic outcomes
- Whether the Council should provide the service as opposed to market provision
- Whether the price covers all running costs and fixed costs of the service i.e. full cost recovery
- Commercial services will be priced to generate a surplus. Where commercial services are not achieving that aim they will be reviewed, including the potential to improve the market offer or cease trading altogether

- Comparisons with other local authorities and with broadly similar privately provided facilities
- Ability of “customers” to pay and any need for social pricing, subsidy or free provision of services
- Discount prices for Children
- Effect of changes in prices on demand for the service (and therefore income)
- Statutory restrictions on pricing, including legality of any surplus. Some charges or fees are set by Government for us, and others we are allowed to set within their rules.
- Seasonal factors – whether the same charges can be made all year round
- Demand factors – whether it is appropriate to price differently for off-peak/peak/super peak times
- Whether additional services could be provided at an additional price
- Consultation with users
- Non-residents may be charged differentially to residents where appropriate.
- Each financial year charges will be increased by the Consumer Price Index (CPI). This will ensure charges keep pace with the cost of providing services.
- Increases will be implemented in practical monetary values that make sense to customers. The CPI increase may be applied differently across a group of similar services in order to achieve this.
- National taxation policy e.g. VAT
- Where relevant charging decisions will be supported an equalities impact assessment
- Efficiencies and effectiveness
- Administration costs

3. Concessions

Concessions may be offered;

- To over 16's in full time education
- In receipt of means-tested benefits
- In receipt of the State Pension
- Group discounts may apply where this is consistent with the service charging policy

4. Authority to set fees and charges

- The prices for services will be decided on an annual basis. However, Fees and Charges may be revised at any stage of the financial year if the need arises such as from legislative changes, supply & demand in the market place, etc in line with the Constitution as set out in paragraph 3.2(k) in Part 3 Schedule 3;
- Where fees and charges are increasing in response to the budget guideline yield increase for fees and charges, as set out in the Medium Term Financial Plan (MTFP) then these will automatically be set and applied by Chief Officers in line with the Constitution as set out in paragraph 3.2(k) in Part 3 Schedule 3;
- If the expected change in yield for a service or category area exceeds/does not meet the budget guideline position for fees and charges as set out in the MTFP then these charges will need to be considered as additional income/pressure items (i.e. savings/investments) as part of the annual budget setting.