

Finance and Corporate Services Scrutiny Board (1)
Cabinet Member (Strategic Finance and Resources)

29th July 2013
29th July 2013

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Gannon

Director Approving Submission of the report:

Director of Finance and Legal Services

Ward(s) affected:

All Wards

Title:

Review A61 'Commercialisation and Income Maximisation – proposed revisions to the Charging Policy

Is this a key decision?

No – Although this issue may affect all electoral wards in the City, it is not expected that the impact would be significant.

Executive Summary:

This report seeks approval for changes proposed to the existing Charging Policy, which was approved by Cabinet on 22nd September 2009, based on the work undertaken as part of the Commercialisation and Income Maximisation Review. There are minor changes to reflect new legislation and to allow fees and charges to be subsequently set by relevant sections of the Council to enable the recovery of full costs and charges at a minimum of the average benchmarked figures comparable to neighbouring authorities. The principles and considerations informing the review are set out in the report.

Recommendations:

Finance and Corporate Services Scrutiny Board (1) is asked to:

- a) Note the proposed minor amendments to the existing charging policy as identified in italics in Appendix 1 to this report.
- b) Recommend to Cabinet Member (Strategic Finance and Resources) to approve the changes to the Charging Policy.

Cabinet Member (Strategic Finance and Resources) is recommended to:

- a) consider any recommendations from the Finance and Corporate Services Scrutiny Board (1), following its consideration of this matter.
- b) approve the minor amendments to the existing charging policy as identified in italics in Appendix 1 to the report.

List of Appendices included:

1. Revised Charging Policy

Background papers:

None

Other useful documents:

Cabinet Member (City Development) report dated 24th April 2013
Planning Committee report dated 9th May 2013
Scrutiny Coordination Committee 23rd January 2013
Cabinet report dated 29th November 2011
Cabinet Report dated 22nd September 2009

All reports are available on the Council's website: www.coventry.gov.uk/meetings

Has it been or will it be considered by Scrutiny?

Yes – 29th July 2013

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Review A61 'Commercialisation and Income Maximisation – proposed revisions to the Charging Policy

- 1.1 The on-going financial situation presents significant challenges to the Council in balancing the revenue budget. Setting the appropriate level for fees and charges is an important element in raising revenue to meet the medium term financial pressures. It is essential that the Council maximises its income to ensure that, wherever possible, it at least recovers its costs for the services that are provided. This is particularly important in terms of reducing the impact of Government cuts on front line services provided to residents and local communities.
- 1.2 The Council does generate income from a range of individual fees and charges. Until recently there has been little policy coordination, other than for services provided to schools. The degree to which costs are covered, any subsidies and whether income is being maximised, is variable.
- 1.3 Following a review, the Charging Policy was agreed by Cabinet at its meeting on 22nd September 2009. This report proposes minor changes to that Policy. The proposed changes are set out in Appendix 1 and should apply to all income generating areas, including services to schools and adult social care. The report does not seek to increase fees; any fee changes will be proposed in the normal way and relevant political approval sought unless the fees are set under delegated powers.
- 1.4 The changes to the Charging Policy, build on the recommendations from the Task and Finish Group review of Services to Schools.
- 1.5 There has been no comprehensive review of all discretionary fees and charges, although some discretionary fees and charges have been reviewed both annually and on an ad hoc basis. This has led to some inconsistency in fee increases. Consequently there are some services where full cost recovery is not being achieved, some services where the Council has an option to charge but has not done so and some services where the Council is not comparable with other providers in the market.
- 1.6 The review of fees and charges has been undertaken as part of the Commercialisation and Income Maximisation Review which has income targets of £0.55m for 2013/14 rising to £3m on going from 2015/16. A number of service areas have been reviewed to assess whether the Council should be charging and, if so, at what level. Benchmark data from neighbouring authorities/ statistical neighbours has been used in the review process, and a mid-point average as an indicator for charges has been established so that where appropriate charges for services are comparable with other providers in the market.
- 1.7 Whilst benchmarking with other local authorities has been the initial driver in determining appropriate levels of charge the following considerations have also been taken into account:
 - The actual cost of delivering the service
 - What the impact will be on vulnerable groups
 - How easily the new charges can be introduced and/or enforced
 - The cost of administering the charge
 - The impact on demand for that service

 - The potential risks or consequences , for example if people choose not to use the service as a result of the rise in charges

- 1.8 The preferred option and recommended proposal is to change the policy to ensure that when fees are set, they take account of the revised Charging Policy set out in Appendix 1. Service areas will be required to review and introduce amended fees from 1 April 2014. The minor changes to the current Charging Policy have been highlighted in italics in Appendix 1 to indicate the relevant changes.
- 1.9 Service Managers need to be responsible for gathering data to benchmark their current charges with other providers, ensure that their fees are recovering the cost of delivering the service and are at least equal to the average benchmark indicator. Where charges are statutorily set, the cost of provision should not exceed income generation levels.
- 1.10 It is increasingly important that Service Managers have an awareness of the true cost for service delivery and that this is recovered through the charges applied by the Council. Having an understanding of the true cost for service delivery will inform and support Service Managers in making commercial business decisions.
- 1.11 Finance Managers and Business Partners will ensure budget holders have implemented full cost recovery and benchmarked charges each year and demonstrate the impact of the increase in fees and charges on the budget. Finance can also support in providing insight to support decision making including determining unit cost.
- 1.12 Corporate Management Board (CMB) was charged with the task of exercising governance over charging arrangements as per the Cabinet Report on the Charging Policy in September 2009. CMB should be responsible for signing off any exceptions to the Charging Policy put forward by service areas. Knowing the full cost for service delivery enables Corporate Management Board (CMB) to make recommendations to Members on whether it is still affordable for the Council to continue to provide such services, to focus on reducing costs or looking for alternative cost effective models for service delivery. Without this unit cost information, it is difficult to make informed decisions about the future of service delivery or investment.

2. Other options considered;

- 2.1 Option 1 – continue as we are with an ad-hoc approach to charging. Charges may not cover the full cost of service delivery, therefore reducing income, which may impact on the quality and level of services provided to the public.
- 2.2 Option 2 – adopt a policy which increases charges without having considered the cost of service delivery and what other providers charge, this could reduce demand for the service so that income falls rather than increases. A benchmarking exercise, as proposed under the preferred option is therefore an important gauge for the level of charge proposed.

3. Results of consultation undertaken

- 3.1 Consultation will be undertaken in accordance with normal practice with affected groups informing them of any proposed revised charges before the changes come into effect.

4. Timetable for implementing these decisions

- 4.1 Service managers will undertake a review of their current charges to determine the full

cost for service delivery and benchmark their external charges by October each year, with 2013 being the first year.

- 4.2 The results of any changes to fees and charges, based on the implementation of the policy shall be implemented on 1st January each year or as soon as practicable afterwards. Many service areas adjust fees and charges on the 1st April, so the majority of changes would apply from that date.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

The changes to the policy will drive an increase in income, will make the charges applied by the Council comparable with other providers and comply with the Cabinet recommendation of full cost recovery (Cabinet Report dated 22nd September 2009).

If this report is approved, this Charging Policy will be applied to all service areas and the impact on the Budget will be reported as part of the Budget Setting Report.

Full implementation of the revised policy has the potential to raise additional income possibly without the need for additional resources; however at this stage it is not possible to quantify the impact across all service areas. Any proposed increases to fees and charges as a result of applying this policy would be approved through the normal approval process.

To give an indication of the scope for additional income, the policy was applied to Bereavement Services and the Register Office and the outcome was the potential to generate an additional £217k per annum.

The Corporate budget setting process for 2013/14 and 2014/15 is based on an assumption that fees and charges generally would increase by inflation. This target is the first call on any additional income received. The balance from any increases would make a contribution towards the £3m savings target for the Commercialisation and Income Maximisation review and unavoidable budget pressures across the Council.

5.2 Legal implications

The Council can make a charge for discretionary services under various pieces of legislation, and additionally now has a general power of competence under sections 1- 8 of the Localism Act 2011. This allows local authorities to do anything that is not expressly prohibited, offering scope for the Council to identify innovative ways in which it can generate income, as long as they are not prohibited by other legislation.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

Increasing fee income within a consistent agreed policy will enable the Council to better meet key objectives and help to protect frontline services provided to residents and local communities. This also supports the corporate key transformation objective of ensuring that the Council's medium term financial strategy provides the

resources to meet its priorities, delivers a balanced budget and equips the Council to face the future with confidence

6.2 How is risk being managed?

On-going monitoring of the impact of fees and charges on service take up and total income will be undertaken as part of operational business.

6.3 What is the impact on the organisation?

An increase in financial resources to support the work and priorities of the Council.

6.4 Equalities / EIA

The impact will need to be assessed at the time that consideration is given to specific increases in fees and charges.

6.5 Implications for (or impact on) the environment

No direct impact.

6.6 Implications for partner organisations?

Some partner organisations may incur the increased fees and charges depending on the activities undertaken. This will need to be addressed when changes to individual fees and charges are approved.

Report author(s):

Name and job title:

Parmi Mudhar (Finance Manager)
Jane Murphy (Strategic Finance Manager)

Directorate:

Finance and Legal, Special Projects Finance

Tel and email contact:

024 7683 1790/ 1291

Parminder.mudhar@coventry.co.uk

Jane.murphy@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Paul Jennings	Finance Manager, Corporate Finance	Finance and Legal	15/7/13	15/7/13
Phil Helm	Finance Manager, City Services and Development	Finance and Legal	25/6/13	28/6/13

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Rachael Sugars	Finance Manager Children, Learning and Young People	Finance and Legal	11/7/13	11/7/13
Julie Newman	Solicitor	Finance and Legal	9/7/13	9/7/13
Christine Goodwin	Senior Lawyer	Finance and Legal	11/7/13	11/7/13
Lara Knight	Governance Services Team Leader	Customer and Workforce Services	11/7/13	11/7/13
Names of approvers for submission: (officers and members)				
Finance: Lisa Commane	Assistant Director, Special Projects Finance	Finance and Legal	12/7/13	12/7/13
Legal: Christine Forde	Assistant Director: Legal Services	Finance and Legal	17/7/13	17/7/13
Members: Councillor Gannon	Cabinet Member (Finance and Resources)		15/7/13	15/7/13

This report is published on the council's website:

www.coventry.gov.uk/meetings

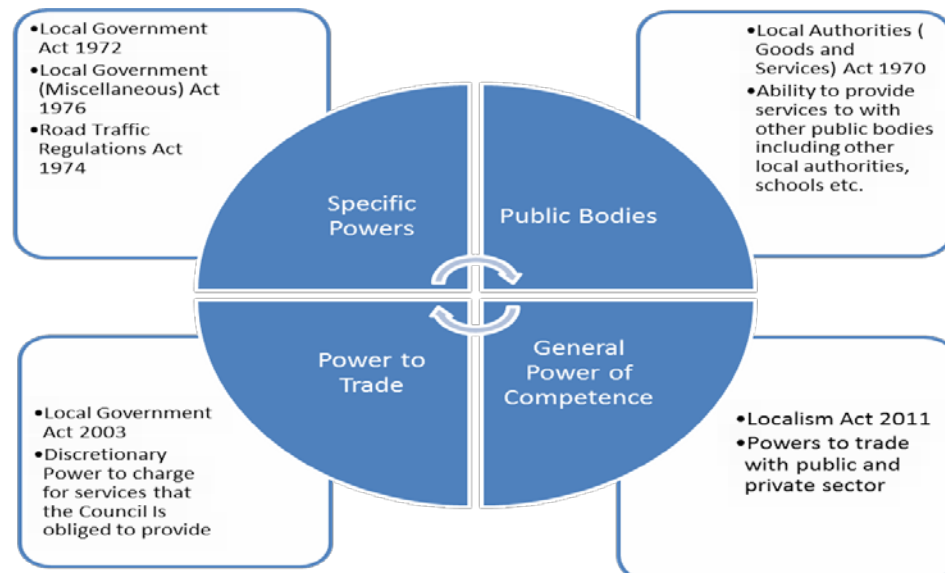
Appendix 1 – Revised Charging Policy

Suggested Amendments to the Charging Policy from the Cabinet Report September 2009 are highlighted as *red italics*

1. Statutory Background

Councils have powers to charge for a wide range of services. Many of these powers are derived from legislation which is applicable to specific service areas. The Local Government Act 2003, has enabled local authorities to charge as they choose to for discretionary services, provided they are not prohibited by other legislation and taking one year with another they do not make a profit. *The Localism Act 2011 contains the 'general power of competence' essentially allowing local authorities to do anything that is not expressly prohibited, offering scope for the Council to identify innovative ways in which it can generate income, as long as they are not prohibited by other legislation. Figure 1 summarises the legislation in place to allow local authorities to charge for services.*

Figure 1 – Local authorities - Powers to Trade



Source – Training Slide pack – CIPFA Income Generation 2012

A review by the Audit Commission ("Positively Charged", 2008), indicated that powers to charge for discretionary services remained largely unused and that only one in five councils believes it uses charging to its full potential. There is a recognised need for councils to have an agreed policy to guide decisions on charging. The Audit Commission noted that by strategically using charging and concessions, Councils can influence behaviour by targeting services towards specific user groups. Councils need to be empowered to use charging to support local policies and priorities and be responsive to local circumstances. This will help them to fulfil their place shaping roles and responsibilities.

Local Government Association (LGA) and Local Partnerships produced a report "Enterprising Councils – Getting the most from Trading and Charging" (2012) which highlighted the opportunity for Councils following the introduction of the Localism Act 2011. The report

describes trading as the opportunity to generate efficiencies, surpluses and profit, whereas charging is the ability to recover the costs of providing discretionary services.

Although the powers to charge and trade have been in place for a number of years, the Council can still take steps to improve the income generated from charging.

2. Key aims and objectives of Charging Policy

A corporate policy and approach to charging is vital to ensure that the Council maximises opportunities for increasing income from fees and charges, in a way which takes into account the fact that income generation can support wider Council objectives. There is a balance to be achieved about the degree to which services are funded by charging users and from taxation.

Key aims and objectives can be summarised as follows:

- To provide a corporate, principled framework in which fees and charges are set and reviewed in a consistent and transparent manner,
- To set out a clear rationale for charging and trading that is aligned with the Council's broader strategic aims.
- To ensure consistency in the application of concessions and to ensure that any subsidy aligns with the Council's objectives and reflects ability to pay.
- To establish clear governance and performance management arrangements for charging related activity.

3. Charging Principles

The key charging principles are:

- To optimise levels of income from fees, charges and trading whilst ensuring broader strategic objectives are met.
- To review the level of fees and charges for all services annually as part of the budget setting process.
- To ensure that fees and charges create full cost recovery and *through benchmarking, are set as a minimum in line with charges by other providers.*
- To create a consistent approach to *subsidising* fees and charges, *where it has been agreed by CMB to subsidise services.*

This policy seeks to reflect the wide variety of services that the Council provides and the different needs they address. The starting point for determining charges is to assess the nature of each (potentially) chargeable service. *Annex A includes details of some of the services provided by the Councils that attract fees and charges.*

Full cost recovery has been defined as all direct service costs, an apportionment of central overheads and an appropriate percentage of any relevant directorate overheads, for example, senior management time.

Key components to consider for charging are:

- Current charge*
- Proposed price change based on evidence of charges by other providers*
- Income estimate and target*
- Activity levels*
- Average and Incremental unit costs*
- Estimated gross and net costs, including an explanation of how this has been calculated*
- How the charge is to be collected and the cost implications*
- Benchmark data to compare with the position in similar services*
- Income as a % of expenditure*
- Subsidy per user – including the reason for subsidy and the cost impact of any concessions offered (if applicable)*
- Analysis of the impact on demand of the proposed charge including any assumptions and user/market information used as an evidence base*
- Income target and service outcome target*
- Legal restrictions*

4. Service Categories

Whilst many of the Council's services sit within a complex local policy and legal framework, in broad terms they fit within one of the following categories with the opportunity to charge for services and the Council's duty to provide the service.

Table 1: Services provided by the Council

Category	Meaning
Statutory Duty	<p>There is a legal requirement to either provide the service, or ensure it is provided (a duty) with little or limited flexibility in its content or provision.</p> <p>Typically it would have high impact if users are not able to access the service where there is a demonstrable need, for example elements of social care.</p> <p>Typically these services are high Council service priority – provision and access are at the heart of a Council policy objective – partly because these are statutory duties.</p> <p>There is potentially high negative impact on users and Council policy by charging for service or achieving full cost recovery.</p> <p><i>Charges for some of these service areas are determined by Central government. Where there is the ability to charge the Council should look to recover the costs for service delivery.</i></p>

Category	Meaning
Discretionary	<p>The Council has powers to deliver services but not a duty. These may include certain legal requirements or guidance but with significant flexibility for the content/provision of service.</p> <p>Typically these services may be medium to lower Council service priority, (although they may be very valued by customers) and there will be a manageable impact from adopting market pricing.</p> <p><i>Service Managers for discretionary services should look to recover the full cost for service delivery and consider their charges in line with other providers.</i></p>

5. Charging for Statutory services

Issues to take into account are:

Many statutory services are the subject of regulated fees and charges which will provide an over-riding framework and determine where local policy discretion exists.

The delivery of statutory services usually represents the Council's discharge of a legal duty that has a high impact on certain residents. It will therefore need to consider carefully the impact of any charging in terms of service access, take-up, and non-delivery.

The Council starts from a position of charging where the law allows, and recovering full costs, but it recognises that in these service areas, there are more likely to be factors which lead to a decision not to charge full cost recovery. *Where possible and feasible, the Council should look to recover the full costs for service delivery.*

The proportion of cost recovered for any service should be clearly identified and where the Council provides a subsidy, its underlying rationale clearly set out.

It is particularly important in this area that charging is targeted towards those customers who can afford to pay.

6. Charging for Discretionary services

Issues to take into account are:

The Council seeks to achieve full cost recovery (including overheads) for discretionary services except where it expressly determines to the contrary or the law prevents this.

Any decision to the contrary should be supported by a business case. *Please refer to section 10 for the Governance Process for any changes.*

For services achieving full cost recovery, emphasis should be on ensuring prices are in line with other providers and that price increases each year maintain this position.

In cases where the income generated by services is in excess of full cost recovery level, it is not proposed to reduce income budgets, but to continue to maintain prices at the level required to deliver the income target and monitor the increases achievable each year in line with market acceptability.

Where services are not achieving full cost recovery, service managers should develop a strategy to move towards full cost recovery over the medium term. Such strategies could include:

- Increasing prices by more than inflation,*
- Increasing the level of income generated, by increasing demand*
- Reducing the costs of providing the service*
- Increasing charges in line with other providers based on benchmarking.*

If moving away from full cost recovery, and by implication incurring a subsidy, the Council will have regard for the impact on other Council priorities and objectives. As an example, the Council may determine that it is prepared to subsidise certain services because their take-up or use has a positive (often intervention-based) impact – such as swimming on well-being or health. The required business case must balance the benefits achieved from not charging with the revenue costs.

The Council recognises that a number of discretionary services will also be provided by alternative providers. Usually however, the Council will retain control of pricing through the contract/delivery arrangements. In determining the level of fees and charges, the Council will have regard for market alternatives (in terms of cost and quality) and the peripheral benefits to the Council and residents of the Council's delivery role. The Council will also periodically test the rationale for service delivery in these circumstances.

Benchmarking should be undertaken on an annual basis to ensure that services are being delivered in line with at least the minimum average price of other providers. Any deviation for this policy needs to be agreed and signed off by the sub group of Corporate Management Board (see section 10 for more details).

7. Concessions *and Subsidies*

The Audit Commission defines a concession/ subsidy as any service for which a local authority has discretion to make a charge, and in so doing, sets that charge below the cost of service provision. Concession setting is a balancing act. The Audit Commission indicates that councils should be wary of extending concessions to those who may be able and/or willing to pay more. It is also important that concessions are not 'wasted' on services that are a lower priority for the Council.

Based on *previous* research, it seems clear that good practice would require a balance to be struck between the standardisation of the approach to, and eligibility criteria for, concessions whilst allowing for service specific targeting of individuals and groups in support of specific objectives of the Council.

This policy requires a tiered approach in which concessions are offered to residents who are identified as the least likely to be able to afford services. Concessions will be applied across all service areas where possible, and in many cases, the Council will require proof of entitlement in order to apply the concession but the policy does not introduce additional

means- testing, rather it relies on what already exists. Examples of proof include award notices and order payments books from the Benefits Agency and Inland Revenue. *The Council is reviewing the mechanism for concessions as part of the Passport to Learning and Leisure (PTLL).*

8. Eligibility criteria for concessions

Issues to take into account in determining concessions are:

- Residents will be accorded priority over non-residents in any concessionary and other pricing policies.
- Net charging, i.e. after any subsidies and concessions, will reflect ability to pay. A base charge will be set for each service and concessions and subsidies will subsequently be applied, as appropriate.
- Concessions and subsidies will be standardised wherever possible and fully aligned with Council priorities.
- Where relevant, pricing should encompass positive incentives but also penalties/premiums if a deterrent is desirable.
- Key cost and price decisions should be made in a transparent way, and clear responsibility allocated for monitoring these income decisions.
- The cost recovery principles established by the Best Value Accounting Code of Practice should be utilised throughout
- The practicality and cost of administering the concession should be considered alongside the benefit of providing a concession.

The Council will need to identify the services to which it wishes the concessions policy to apply and identify the services where it wishes to promote take up across the board. It is important to consider the benefits received by customers and how they are deemed to be relevant for the application of concessions. The Council will need to consider how best to manage the granting of concessions, to prevent an excessive administrative burden.

The Corporate Management Board will consider as part of its brief how best to formulate concessions applicable to specific fees and charges, which take into account the issues set out above. It does need to be recognised, however, that there will be some services where the offering of concessions will be impractical, for example car parking, or will be uneconomic because the costs of establishing eligibility for concessionary charging are prohibitive in relation to the value of the charge.

9. Process for reviewing charges and associated governance arrangements

Fees and charges activity will be overseen by a sub group of the Corporate Management Board, established by Management Board. The key responsibilities of the Management Board in relation to charging are to:

- Ensure that income generation is being maximised within the framework set out in this policy
- Make 'go and no-go' decisions in relation to new and existing income opportunities and ensure that income decisions are based on evidence based principles which support realistic estimates of the income level to be achieved
- Act as a Gateway for income-related business case investment
- Monitor and review performance of income generation against agreed targets.
- Receive and consider an annual review of all chargeable Council services
- Consider and take decisions on proposals for changes in prices and the balance of cost and income
- Consider and take decisions on concession rates and target groups.

10. Summary

In considering both charges and concessions, and in ensuring that the Charging Policy is adhered to, key issues are:

- Whether the service is statutory or discretionary
- How the service aligns with the Council's corporate policy and the impact of charging on incentivising behaviour
- Whether there are alternative provider(s) and their charging policies and the quality of Council services compared with alternatives
- Service cost recovery
- Relevant comparators/Benchmarking – such as other authorities' levels of fees and charges, and any known market changes
- Changes in any regulatory position.

The Governance timetable for fees and charges will need to be embedded within the Council's corporate performance management and budget setting cycle, and specific proposals for increases in fees and charges will need to be developed in the first six months of the financial year where possible, so that decisions can be made in line with the Council's medium term financial planning/ budget setting process.

Annex A – List of Fees and Charges levied by the Council

Service	Directorate	Statutory / Discretionary?	Locally determined charge?	Is there an external market?	Potential?	Comments
Adult Social Care	COMM	Mainly statutory	Yes	No	Some	Includes a range of services provided through Disabled facilities Grant, learning difficulties service charges and fees for transport, mental health fees. Blue badges being dealt with via Parking Services. Charges made for non-statutory services, on a cost recovery basis, but there may be potential for benchmarking
Adult Education	COMM	Discretionary	Yes	Yes	No	Recently benchmarked, ring-fenced budget
Bereavement Services	CSD	Discretionary	Yes	Yes	Some	Includes cremations and burials service. Some Benchmarking has been undertaken in the past for this service area. Some scope with burials charges based on the recent benchmarking exercise.
BID	CSD	Discretionary	Yes	Yes	No	Various fees & charges including advertising income - ring-fenced budget.
Building Control	CSD	Discretionary	Yes	Yes	Some	Admin-related charges have been introduced on a cost recovery basis with some benchmarking
Bus Lane Enforcement	CSD	Discretionary	No	Yes	No	Fees are set by Government. Need to ensure that costs are recovered.
Car Parks	CSD	Discretionary	Yes	Yes	Some	Guidelines given for fees (min-max) need to consider demand & cost recovery.
Children's Services	CLYP	Statutory (parts)	Yes	No	Some	Includes a range of services delivered to schools on a traded basis including Education & Learning, Enrichment Services, Special Educational Needs, Data Services, Schools Catering. In addition there will be services provided that are not charged for, this will be where they are statutory or funded from grant funding (DSG). Any statutory services will be reviewed as part of the CLYP Statutory Functions

Service	Directorate	Statutory / Discretionary?	Locally determined charge?	Is there an external market?	Potential?	Comments
						FSR. Charges, where they are made, should be on a full cost recovery basis in line with the Services to Schools review recommendations. Potential for benchmarking with some of these service providers
Community Safety	COMM	Statutory (parts)	Yes	Yes	Some	Potential to market some services to neighbouring authorities eg. 'Noise Team'
Commercial Waste	CSD	Discretionary	Yes	Yes	Some	Bulk bins, skips, clinical waste – Prices are set each year based on increases in costs. Benchmarking has been undertaken in the past - need to consider demand & cost recovery.
Coombe Abbey	CSD	Discretionary	Yes	Yes	Full	Events, activities, catering, car park fees, fishing licences, education, visitor centre, grazing land. Being considered as part of the Commercialisation and Income Maximisation review.
Corporate Communications	CWS	Discretionary	Yes	Yes	Full	Opportunity to sell services a cost recovery basis. Opportunities to commercialise eg charging and sponsorship for events
Domestic Waste	CSD	Discretionary	Yes	Yes	Some	Upgraded domestic bins & provision for new developments – Possibility to recover costs for replacement bins. Other Councils charges for green waste collections – would need to consider the impact on recycling if this was introduced.
Elm Bank	CWS	Discretionary	Yes	Yes	Full	Potential for full cost recovery and benchmark room hire & catering charges
ESU	CSD	Discretionary	Yes	Yes	Full	Response alarms, security alarms & CCTV monitoring. Potential to increase service uptake through marketing

Service	Directorate	Statutory / Discretionary?	Locally determined charge?	Is there an external market?	Potential?	Comments
Fleet Services	CSD	Discretionary	Yes	Yes	Full	Potential to market service for public MOTs, minibus hire, servicing and maintenance packages to schools & community groups, defensive driving course to neighbouring authorities, ensuring full cost recovery and benchmarking
Highways	CSD	Discretionary	Yes	Yes	Some	Benchmarking carried out for footway crossings. s38 & s278 site supervision fees revised following benchmarking. Includes street services e.g. drainage
Housing	COMM	Statutory (parts)	No	No	Some	Housing Options & Choice based Lettings service (income received from RSLs) - need to review cost recovery process.
HR / Payroll Services	CWS	Discretionary	Yes	Yes	Some	Potential to market training services to other LAs & other organisations ensuring full cost recovery and benchmarking
ICT	CWS	Discretionary	Yes	Yes	Some	Potential to market some services - schools & other organisations ensuring full cost recovery and benchmarking
Interpreter Service	COMM	Discretionary	Yes	Yes	Full	Potential to market some services - schools & other organisations ensuring full cost recovery and benchmarking
Legal Services	FLS	Discretionary	Yes	Yes	Some	Potential to market some services - schools & other organisations ensuring full cost recovery and benchmarking
Library Fees & Charges	COMM	Discretionary	Yes	Yes	Some	Fines, fees & sales, with annual price increases - need to ensure full cost recovery and benchmarking
Licensing	COMM	Statutory	No	No	Some	Fees for commercial licences are set by Government, including some street trading licences. Potential these to be set locally in the future if legislation allows.

Service	Directorate	Statutory / Discretionary?	Locally determined charge?	Is there an external market?	Potential?	Comments
Opal Centre / ICES	COMM	Statutory (parts)	Yes	Yes	Full	Potential for marketing of training courses and other service provided at the OPAL, need to consider cost recovery and benchmarking
Parking Enforcement	CSD	Discretionary	Yes	Yes	Some	Residents' pay a contribution towards residential parking schemes. Need to ensure cost recovery. Potential for full cost recovery and benchmarking
Parks and Open Spaces	CSD	Discretionary	Yes	Yes	Full	Sports activities recently benchmarked. Need to ensure full cost recovery for rental income (substations & grazing land) and memorialisation items (tree planting etc). Potential marketing of arboricultural and other services.
Performing Arts Service / Dolymoch / Partnership Centres	CLYP	Discretionary	Yes	Yes	Some	Various fees & sales to be reviewed / benchmarked where possible – Need to consider full cost recovery and benchmarking in line with the Services to Schools review
Planning	CSD	Mainly statutory	Yes	Yes	Some	Potential to carry out benchmarking current and new charges eg. pre-planning advice if introduced it should be full cost recovery/ consider benchmarking
Register Office	FLS	Statutory (parts)	Some	Yes	Some	Standard fee chargeable for wedding licences and certificates. Potential to market non-statutory services and set charges based on benchmarking
Services to Schools	CLYP	Discretionary	Yes	No	Some	Various services including bus passes, data team, Governor support & training with some new charges introduced in 2013- Need to consider full cost recovery and benchmarking in line with the Services to Schools review. Parental contributions reviewed recently e.g. schools meals report.

Service	Directorate	Statutory / Discretionary?	Locally determined charge?	Is there an external market?	Potential?	Comments
St Mary's Guildhall & Godiva's Coffee Shop	CSD	Discretionary	Yes	Yes	Full	Potential for full cost recovery and benchmark room hire & catering charges
Taxi Licensing Office	CSD	Mainly statutory	Yes	No	No	Ring-fenced budget – Elements of charges vary between authorities – difficult to benchmark.
Traffic Management	CSD	Some statutory	Yes	No	Some	Benchmarking has been carried out recently. Some increases planned for various licences & permits e.g. cranes, skips, scaffolding etc.
Training	CWS	Discretionary	Yes	Yes	Some	Potential to market training services to other LAs & other organisations e.g. EDU (Social Worker training to other LAs). Potential for full cost recovery and benchmarking
Vending	CSD	Discretionary	No	Yes	Full	New contract in place for vending – difficult to make any changes to charges, but potential to include additional vending sites to increase income