

<b>Report to:</b>	<b>JOINT MEETING OF OVERVIEW/EXECUTIVE CABINET</b>
<b>Date:</b>	9 February 2022
<b>Executive Member:</b>	Councillor Oliver Ryan, Executive Member (Finance and Economic Growth)
<b>Reporting Officer:</b>	Kathy Roe, Director of Finance
<b>Subject:</b>	<b>CORPORATE CHARGING POLICY</b>
<b>Report Summary:</b>	It is proposed that the Council adopts a Corporate Charging Policy (Appendix 1) which establishes principles and a framework for setting and reviewing non-statutory fees and charges. The intention is to ask Full Council to approve the policy as part of the budget report for 2022/23. The policy would then be expected to be applied to the review of fees and charges during 2022/23 with full compliance from 1 April 2023 for the 2023/24 financial year.
<b>Recommendations:</b>	That Executive Cabinet be recommended to <b>approve</b> the Corporate Charging Policy attached at <b>Appendix 1</b> .
<b>Corporate Plan:</b>	Fees and charges should align with the priorities set out in the Corporate Plan.
<b>Policy Implications:</b>	The fees and charges included in the annual budget reflect the policy choices that the Strategic Commission intends to pursue to support the Corporate Plan and Medium Term Financial Plan
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The Council has three main sources of funding to support the delivery of its services: Government Grants, local taxation (Council Tax and Non-domestic rates) and fees and charges levied for services provided. Discretionary fees and charges represent an important source of revenue, providing finance for activity that is designed to achieve the Council's objectives</p> <p>The decision on whether to make a charge (and the amount to charge) is not always within the control of the Council, as some charges are set by central government. But where it is, it is important that the implications of the charging decisions being taken are fully understood and are being applied consistently.</p> <p>There may be potential conflicts between raising additional income by increasing charges, and promoting access and usage of local services, particularly by vulnerable groups on low income. The appropriate fee structure will therefore depend on the overall intention for that service area as far as Council policy is concerned. By setting charges at appropriate levels, the Council is exercising its stewardship role of public funds properly. Where income is foregone, without good reason, the burden of funding will unfairly transfer to the taxpayer.</p> <p>A consistent and informed approach to charging across the different services of the Council will enable this conflict to be reconciled and managed in the interests of achieving the Council's objectives. All discretionary charges will be covered by this policy.</p>

**Legal Implications:  
(Authorised by the  
Borough Solicitor)**

As set out in the main body of the report the council has a number of different funding streams. This reports considers the council's approach to those services it is able to make a charge for.

The cost to the public of a number of services are stipulated by law and the council cannot legally charge more for the service. These are the council's statutory duties which are the core work and responsibility of the council.

Other services the council is permitted to set a charge for. However unless the council is trading through a company owned and controlled by the council those costs can only be cost recovery as a maximum.

Therefore as set out the first decision the council has to make is whether the service is statutory or not. If not statutory then the council can consider whether the service should be subsidised or only offered with full cost recovery.

Officers need to ensure whether the service is subsidised or full cost recovery that records are retained to ensure that the council can evidence the costs per service and the charges do not exceed cost recovery. This should enable to council to be in a strong position if a challenge is made to the level of the council's fees. It is also important to note that whilst benchmarking is a helpful exercise in terms of evidencing cost recovery the council's due diligence to evidence the costs are key.

If officers are considering changing the level of subsidy or cost recovery then it is likely that consultation will be required as well as an Equality Impact Assessment being undertaken. Therefore advice should be sought at that time.

**Risk Management:**

A consistent and informed approach to charging across the different services of the Council should ensure that the implications of the charging decisions being taken are fully understood and are being applied consistently.

**Background Information:**

The background papers relating to this report can be inspected by contacting Heather Green



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