

PLYMOUTH CITY COUNCIL

Subject: Fees, Charges and Concessions Policy

Committee: Cabinet

Date: 12 November 2013

Cabinet Member: Councillor Lowry

CMT Member: Malcolm Coe, Assistant Director, Finance, Efficiencies, Technology and Assets

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Ref:

Key Decision: Yes

Part: I

Purpose of the report:

We are introducing an over-arching Fees, Charges and Concessions policy. The objective is for this to be an over-arching framework which details our principles and approach to charging against which each individual proposal to amend, or introduce, charges should be challenged.

The purpose of this policy is to provide a clear statement of Plymouth City Council's corporate approach to fees and charges incorporating concessions.

This policy sets out the principles that the Council will use when levying a charge for services that we provide and why we are doing so. It will ensure we adopt a consistent and fair approach to fees and charges, and that they are used to deliver the Council's overall objectives whilst protecting, wherever possible, the most vulnerable citizens of Plymouth. It also sets a direction of travel about principles to be used when waiving charges and the conditions that will be applied in these circumstances.

The Brilliant Co-operative Council Corporate Plan 2013/14 – 2016/17:

Plymouth City Council, as a Co-operative Council, is committed to the highest possible standards of openness and accountability. This policy is driven by our co-operative values. By adopting a Corporate Fees & Charges and Concessions Policy, Plymouth City Council is committing to ensuring a consistent approach to how we charge individual customers and community groups for discretionary services and goods that are provided.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

This policy will act as the control document for all future changes to fees and charges levied by the Council, or changes to its concessions policy. Financial implications will become apparent as each charge is reviewed and changed.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

This policy will ensure we adopt a consistent and fair approach to fees and charges, and that they are used to deliver the Council's overall objectives whilst protecting, wherever possible, the most vulnerable citizens of Plymouth.

Equality and Diversity

An effective and consistent approach to our fees and charges, and concessions will ensure we treat all members of our society as equals.

Recommendations and Reasons for recommended action:

1. That Cabinet approve the revised Fees, Charges and Concessions Policy.

To enable all departments to undertake a consistent review of the fees, charges, and concessions within their department.

2. That the Leader's Scheme of Delegation is amended to reflect the delegations.

To ensure that the scheme reflects current delegations.

Alternative options considered and rejected:

Remain unchanged and continue to have a lack of clarity around our charging policy.

Published work / information:**Background papers:**

n/a

Sign off:

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|---|---------------|-----|--------|------------|------------|----|--|--------|--|----|--|---------------|--|
| Fin | mc1314.2 I | Leg | TH0131 | Mon Off | TH01 30 | HR | | Assets | | IT | | Strat Proc | |
| Originating SMT Member: Malcolm Coe | | | | | | | | | | | | | |
| Have the Cabinet Members agreed the contents of the report? Yes | | | | | | | | | | | | | |

FEES, CHARGES AND CONCESSIONS POLICY

(October 2013)



Policy

The purpose of this policy is to provide a clear statement of Plymouth City Council's corporate approach to fees and charges incorporating concessions.

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In Scope

All statutory and discretionary fees and charges levied by Plymouth City Council, and all associated concessions.

Key Principles

The Council's fees and charges, (and concessions against these charges), will be driven by our core values and set in accordance with the following general principles:

Democratic

- We will fully engage and inform service users in relation to any introduction of, or changes to, charging arrangements wherever practical and feasible to do so;
- Elected members of the Council will approve the over-arching fees, charges and concessions arrangements, with changes to specific charges overseen by the relevant portfolio holder;
- Where an organisation has any fee or charge waived, a Service Level Agreement should be drawn up detailing how the organisation will contribute towards our corporate vision and values and/or objectives and outcomes

Responsible

- On-going fees and charges will, in general, be up-lifted in line with the Consumer Price Index, (CPI);
- The Council will seek to recover relevant full costs in setting charges from those who are deemed able to pay;
- The level of Fees and Charges is the responsibility of each Assistant Director, (supported by Finance), and will be reviewed, as and when appropriate, in conjunction with the Portfolio Holder;

Fair

- We will be open and honest with who we charge, what we charge, and why we charge and, at all times, champion fairness;
- We will consider an individual's ability to pay, accounting for income and access to means tested benefits (Disability Living Allowance, Attendance Allowance and Personal Independence Payments not to be counted as means tested benefits for concessions purpose);
- Wherever possible, we will give consideration to, and protect, the most vulnerable sections of the community;
- Concessions will be applied consistently and fairly and applied to agreed criteria;
- Charging must give due consideration, and be proportionate, to the costs associated with administering and collecting income.

Partners

- We will provide strong community leadership and work together to deliver our common ambition;
- When setting Fees and Charges, we will take into account market forces, the cost of service provision, including direct and indirect cost, and how we compare with peer and local neighbour authorities.

FEES and CHARGES

Statutory Charges

These are regulated by primary and secondary legislation and include very broad service areas such as adult social care, children's services, licensing, planning and many more. The level of charge is regulated in terms of how much can be charged. The statute will also, more often than not, specify with whom needs to be consulted, and for how long, before any decision is taken to increase the fees.

Discretionary Charges

The provisions of the Local Government and Finance Act 2003, (Section 93), state that fees can only be levied on a cost recovery basis. Such costs should include indirect costs and overheads along with any investment required to retain, or improve, assets or infrastructure associated with providing services. Accounting for future financial liabilities can also be considered where relevant.

Setting Fees and Charges

Fees and charges can be reviewed and updated at any reasonable point in time within prescribed levels of delegated authority. The following limits apply to estimated **additional income** that will be levied as a result of implementing a proposed change to a specific service charge:

- Assistant Directors can take decisions that will raise additional income up to £100k (any individual variance to charges of +/- 5% must be agreed with Portfolio Holder)
- Portfolio holder can take decisions to raise additional income from £100k to £500k.
- Cabinet can take decisions to raise additional income over £500k (A key decision)

Subsidised Services

Plymouth City Council will sometimes choose not to seek full recovery of its costs if the resultant charges would go against our core values as a Brilliant Co-operative Council. For example, the Council might not set charges for the use of its leisure facilities at a level which would discourage active participation in swimming.

DISCRETIONARY CONCESSIONS

A discretionary concession may be applied to fees and charges to certain individuals, or groups, based on criteria that supports our corporate priorities and complies with the key principles in this document. Concessions can be applied to the following Customer categories:

Customer categories for which concessions can be granted:

1. Junior (16 and under) or students in full time education within the City;
2. People on means tested benefits (together with their spouses and partners). Any income from spouses/partners is taken into consideration when determining means tested benefits. Means tested benefits counted for concession purposes are:
 - a. Income support
 - b. Job Seekers Allowance (income based)
 - c. Working Tax Credit
 - d. Child Tax Credit
 - e. Pension Credit
 - f. Housing Benefit
 - g. Council Tax Support
 - h. Employment Support Allowance (income based)

Note: Disability Living Allowance, (DLA), Attendance Allowance, (AA), and Personal Independence Payments (PIP) are not counted as means tested benefits for concession purposes.

3. Pensioners. Defined as those in receipt of a state pension. Income from occupational pensions needs to be considered in terms of an individual's ability to pay.
4. Group concessions maybe available in exceptional circumstances where they significantly contribute towards the Council's values and corporate priorities.

As a general principle, when applying a concession, every service user should make a minimum contribution towards the total cost of their service provision, (including overheads), in line with the principles used within the Council's Council Tax Support Scheme and Discretionary Rates Relief Policy.

October 2013(revised)