

The background of the slide features a large, light blue watermark of the Coat of Arms of the City of Edinburgh. The crest is a shield divided into four quarters. The top-left quarter shows a castle tower. The top-right quarter shows a stag's head with antlers. The bottom-left quarter shows a sailing ship on the water. The bottom-right quarter shows a lion rampant. Above the shield is a crown with four fleurs-de-lis. A ribbon at the bottom of the shield contains the motto 'ANE FOR A'.

Agenda Item 9

Review of Income and Charging

Falkirk Council

Title: Review of Income and Charging
Meeting: Scrutiny Committee
Date: 17 November 2016
Submitted By: Director of Corporate & Housing Services

1. Purpose of Report

- 1.1 This short report provides information on the fees and charges that are at the Council's discretion (discretionary charges) to increase or decrease and those that are set nationally (non discretionary charges). In addition it provides examples of where concessions are applied.

2. Recommendation

The Scrutiny Committee is asked to note and comment on the report.

3. Background

- 3.1 Over the past few years there have been various reports and guidance produced by national bodies, such as the Accounts Commission and the Chartered Institute of Public Finance (Cipfa) on Councils' arrangements for setting charges and detail areas that should be considered when reviewing existing charges or creating new charges.
- 3.2 Members will be aware that a review of income and charging is being undertaken as part of the Council's overall budget process for 2017/18. It is intended that progress with this review will be reported to Members following the announcement of the local government financial settlement in December.

4. Considerations

Income Charges

- 4.1 A summary of the income raised by charges is shown at Appendix 1. In 2015/16 the Council raised **£19.9m** accounting for **6%** of the Council's gross revenue expenditure. Although this makes up a relatively small part of the Council's overall income, it is significant in terms of helping to bridge the

Council's budget gap – i.e. a 5% general increase/reduction equates to £1.0m.

- 4.2 Of the current charges raised, £9.3m or (47%) are at the discretion of the Council. Of these charges, the most significant areas include school meals, childcare fees, non residential social work charges and crematorium and burial charges.
- 4.3 Non discretionary charges account for £10.6m (53%), with social work residential care services accounting for £8.6m. These services are subject to specific financial assessment to determine whether clients qualify for free or discounted care.
- 4.4 The remaining non discretionary charges account for £2m of the total raised. For the most part these are regularity type services such as building warrants, planning applications, licensing and registration of births, deaths and marriages.

5. Concessions

- 5.1 In approving the Council's poverty strategy in March 2011, the Council agreed a framework for concessions, [Falkirk Committee Information - Submission Documents](#) which enables discounted fees and prices to be offered to particular individuals or groups.
- 5.2 Some of the individuals or groups are widely recognised nationally as being eligible for concessions. In particular these include children, people over certain age groups, adults on low income, people with a disability and students.
- 5.3 Entitlement to free school meals is one of the more significant concessions, with the entitlement determined by receipt of certain benefits. From January 2015, free school meals were extended to all primary 1 to 3 children. Within non residential social care services, the level of charges are dependent on both age and the level of income.
- 5.4 In addition to age and income thresholds, there can be other factors which determine the level of charges. For example, fees and charges for cremations and burials are determined on residency, with higher charges applied to non residents. The school letting arrangements also incorporate increased charges for commercial events.
- 5.5 Changes in benefits and the introduction of welfare reform have and will impact on the concessions policy of the Council. Members will be aware of the priority within the recently approved SOLD of addressing the impact that poverty has on children including the cost of the school day. Given those factors it is timely that a review of the policy is undertaken.

6. Consultation

- 6.1 There is no requirement to carry out a consultation on this report.

7. Implications

Financial

- 7.1 There are no financial implications arising from the report recommendations.

Resources

- 7.2 There are no resource implications arising from the report recommendations

Legal

- 7.3 There are no legal implications arising from the report recommendations.

Risk

- 7.4 There are no financial risks arising from the report recommendations.

Equalities

- 7.5 There are no equality implications arising from the report recommendations.

Sustainability/Environmental Impact

- 7.6 There are no sustainability or environmental implications arising from the report recommendations.

8. Conclusions

- 8.1 The report provides Members with a summary of the fees and charges currently in place, with a breakdown of those charges that are at the discretion of the Council to increase or decrease along with a summary of areas where concessions are currently applied.

Director of Corporate & Housing Services

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Appendices

Appendix 1 – Falkirk Council Charges – Summary.

List of Background Papers:

None

Falkirk Council Charges - Summary

Appendix 1

Charge	2013/14	2014/15	2015/16 Actuals		%
	Actuals £000	Actuals £000	Non-Disc. £'000	Disc. £'000	
School Meals	2,052	1,958	-	1,752	8.8%
School Meals - Adults	44	42	-	39	0.2%
Childcare Fees	974	1,038	-	1,038	5.2%
Breakfast Club Income	50	54	-	61	0.3%
Hall Hires	46	44	-	42	0.2%
Tuition Fees	114	99	-	109	0.5%
Canteen Income	51	51	-	48	0.2%
Other	81	163	-	52	0.3%
Children's Services	3,412	3,449	-	3,141	15.7%
Placement Charges	165	164	-	137	0.7%
Residential Homes - Falkirk Council	1,547	1,678	1,610	-	8.1%
Residential Homes - Other	6,471	6,486	6,971	-	35.0%
Non Residential Charges	1,171	1,206	-	1,339	6.7%
Respite Income	89	227	221	-	1.1%
Meals	123	167	-	161	0.8%
Complex Care	431	435	-	435	2.2%
Other	172	156	-	68	0.3%
Social Work Services	10,169	10,519	8,802	2,140	54.9%
Building Warrants	463	562	630	-	3.2%
Planning Applications	436	472	367	-	1.8%
Construction Consents	38	46	47	-	0.2%
Car Parking	408	395	-	650	3.3%
Fines & Fixed Penalties	26	25	-	29	0.1%
Dry Recyclate Income	228	190	-	217	1.1%
Trade Waste Income & Sale of Sacks	644	717	-	753	3.8%
Hackney Tests & MOT's	89	91	83	-	0.4%
External Pest Control Income	5	3	-	6	0.0%
Crematorium & Burial Grounds Income	1,534	1,789	-	2,040	10.2%
Other	48	49	-	-	0.0%
Development Services	3,919	4,339	1,127	3,695	24.2%
Service Charges on Unfurnished Properties	9	9	-	5	0.0%
Sign Factory Sales Income	408	316	-	-	0.0%
Private Sector Landlords Fees	-	-	103	-	0.5%
Site Fees - Travelling Persons Site	2	2	-	-	0.0%
Corporate & Housing Services	419	327	103	5	0.5%
Life Events (Civil Marriage/Naming Services)	65	62	-	65	0.3%
Statutory - Births, Deaths and Marriages	178	182	191	-	1.0%
Taxi Licences	143	147	154	-	0.8%
Licensing Board	155	160	159	-	0.8%
Gambling Fees	24	22	21	-	0.1%
Civic Licensing	50	51	51	-	0.3%
Miscellaneous Services	615	624	576	65	3.2%
Printworks (External Fees)	288	280	-	224	1.1%
Other	88	93	-	66	0.3%
Central Support Services	376	373	-	290	1.5%
Overall Council Total	18,910	19,631	10,608	9,336	100.0%