

E&R PDS Costs, Charges and Recharges Working Group Report

1. Attendees:

Cllr Nicholas Bennett JP (Chairman)
Cllr Graham Arthur
Cllr Eric Bossard
Cllr Julian Grainger
Cllr Tony Owen
Cllr Neil Reddin

2. Meetings

The working group met twice (12th December 2013 and 23rd January 2014).

3. Officers assisting:

Joy Connor
Lesley Moore
Graham Walton

4. Terms of Reference

To examine whether the cost of services for which the Council makes a charge or recharges cover the full cost of the provision of those services.

Reason for review:

1. It is not clear that the charge made for revenue producing services always ensured full cost recovery;
2. The Court of Appeal has ruled in a number of cases that a council may not recover more than the actual cost to the council and therefore it is important to ensure that our costings are accurate and take account of all factors;
3. Departmental recharges need to be accurate so that departments are mindful of the additional costs they may face with any proposed increase in expenditure and to encourage a review by them of existing expenditure taking account of opportunity costs and transparency of contracts.

5. Working Group deliberations

The Working Group received reports on;

5.1 General Principles – Local Authorities' Powers To Charge For Services;
5.2 Income & Charges Recovery Process

(a) Income Review 2011/12

(b) Fees and charges for (i) ECS, (ii) ECHS & (iii) Corporate

(c) Court Recovery - (i) Sundry Debts, (ii) NNDR Recovery Process,

(iii) Council Tax basic Process

(d) Recharges - (i) Support Services, (ii) IT, (iii) Admin Buildings

5.3 LB Barnet parking charges and LB Tower Hamlets care cases;

5.4 the legal position regarding a separate precept for certain services affecting a specific area of the borough like Chislehurst and St Paul's Cray Commons Conservators.

6. Recommendations;

6.1 that the process for establishing the recharges is robust and the frequency of review is adequate;

6.2 that the Executive adopt the charging template and guidance attached at Appendix 1 and 2;

6.3 that the Executive ask each PDS Committee to use the templates to review the fees and charges made for services within their portfolio each year at their autumn meeting so as to ensure that as far as practicable charges recover the full cost of the service and so that any changes can be incorporated in the draft budget;

6.4 that a common template be produced for use by all PDS Committees when considering budget proposals;

6.5 that Bromley Adult Education College should assess its fees using the charging template

6.6 that a letter be sent to the Lord Chancellor and Lord Chief Justice asking that robust guidance be issued to the courts on awarding full costs for public authorities;

6.7 that the Environment PDS be requested to examine the fees for bulky waste collection from one which specifies each type of article that could be collected, with its own unique price, to a simpler system based around three or four standard costs.

**Cllr Nicholas Bennett JP
Chairman**