

Introduction

This policy and supporting best practice guidance set out the approach to be taken to fees and charges where the council has discretion over the amounts charged for services provided.

Aim of the Policy

The purpose of this policy is to provide a consistent approach in setting, monitoring and reviewing fees and charges across the authority. This will ensure that fees and charges support council objectives and are set at a level that maximises income generation. The policy is incorporated within the following charging principles:

Charging Principles

1. Charge Setting

In setting charges, any relevant government guidance must be followed. Thereafter any decision to vary or introduce charges should take into account the council's priorities and financial objectives. Factors that should be considered when setting charges include:

- Trends in user demand and the forecast effect of price changes;
- Impact of competition;
- Comparator/benchmarking data;
- Customer survey results;
- Wider policy objectives;
- Council wide budget targets;
- Investment needs of the service; and
- Costs of income collection.

In the interests of openness and accessibility a directory of all charges shall be maintained and published on the Leeds City Council website.

2. Subsidy

In general, fees and charges will aim to recover the full cost of services except where this is prevented by legislation, or where alternative arrangements have been expressly approved by the relevant director or chief officer in consultation with the deputy chief executive.

Full costs should include an appropriate level of overheads including for example: HR, finance, senior management and other support service charges. A business case should be created for all services that require a subsidy from the council. Normally only services that are contributing to the achievement of a key council priority would be considered for a subsidy. Approval for the level of subsidy should be obtained from the relevant director or chief officer, in consultation with the deputy chief executive and relevant executive member. During annual budget setting all subsidies should be identified.

Where possible, non-Leeds residents should not be subsidised. This should only be done where: it is lawful; the cost of administering a second tier of charges would not outweigh the benefits; and this course of action would not be counter-productive i.e. reduce overall income.

All trading activities and services provided by the council will be charged for unless prevented by statute or under exceptional circumstances agreed exempt by the relevant director or chief officer, in consultation with the deputy chief executive and relevant executive member.

3. Concessions

Concessions to priority and target groups will be considered where this is appropriate, in accordance with any relevant government guidance and will take account of the user's ability to pay. Wherever possible we will aim to provide concessions consistently across the authority. All concessions should be fully justified in terms of achieving the council's priorities and should be approved by the relevant director in consultation with the executive member. Wherever possible, concessions should not be granted to non-Leeds residents.

4. Review of Charges

All charges and the scope for charging will be reviewed at least annually (at budget preparation time) within the service area. The review will include those services which could be charged for but which are currently provided free of charge. The annual review will be undertaken in accordance with the best practice guidance.