



**Response to proposals for
Harmonisation of Fees and
Charges from the Overview and
Scrutiny Management Committee
(OSMC)**

Report of Lorraine O'Donnell, Assistant Chief Executive

Introduction

- 1 The Overview and Scrutiny Management Committee were asked by the Executive to facilitate a review looking at specific proposals for the harmonisation of fees and charges.
- 2 This report presents the OSMC recommendations to Cabinet on initial discussions regarding Harmonisation of Fees and Charges for:
 - Bereavement Services, Trade Waste and Bulky Goods collection;
 - Concessionary Travel Scheme
 - Leisure Centre Fees & Charges and Concessions Policy
 - The adoption of a range of Clean Neighbourhood and Environment Act Powers and the level of fine for the fixed penalty notices (FPNs) associated with these powers.

Context

- 3 Following a number of individual reports produced for agreement by Cabinet which included changes to fees and charges for services provided, it was decided to bring together all proposed changes into a single report so the overall impact across the County could be seen. Separate reports will be submitted on charges where a decision is required on the level of concessions to apply.
- 4 Fees and charges fall into 3 categories - Statutory, Regulatory and Discretionary. In terms of harmonisation proposals careful consideration has been given to the financial implications of any equalisation of treatment in 2009/10. In considering options proposals put forward must be affordable, equitable and sustainable – effectively cost neutral wherever possible.
- 5 A Corporate Fees and Charges Policy has been developed to support the budget process and is designed to provide a framework for Durham County Council's approach to charging. The policy is built around the following principles:
 - Develop an entrepreneurial approach so that charges whether new or reviewed are properly considered, and consistent.

- Compliance with the Local Government Act 2003 which gives wide general powers to provide and charge for “Discretionary Services”.
 - Adherence with the financial duty to ensure income does not exceed cost.
 - Charges may be set, so that different people are charged different amounts and in different areas to satisfy local needs and objectives. (A service can also continue to be provided free).
 - The income derived from charging will normally be used to offset the costs of providing the service being charged for, including support service costs.
- 6 The underlying strategy being to attempt to equalise charges in those areas where there is a statutory or regulatory requirement to do so or where there is a very strong case on equality or moral grounds. In these areas the public would expect to pay the same amount across the County for the same level of service.
- 7 Finally, in those service areas where harmonisation of fees and charges will have a significant impact upon our customers, it is proposed that the County Council delay and/or phase the harmonisation process.

OSMC Response

A) General Recommendations:-

- The OSMC are supportive of the principle of a phased approach to the harmonisation of fees and charges over a two (2) year period for the proposals as applicable.
- The OSMC recommend that as part of the scrutiny process of systematic review of its recommendations to Cabinet, a six (6) monthly review and monitoring of the phased approach to harmonisation outlined in this response is undertaken looking at strategy and implementation with an analysis of associated outcomes.
- The OSMC recommend that Cabinet consider how the increases in fees and charges will be communicated to the public, business and other stakeholders as a matter of urgency.
- The OSMC note the Corporate Fees and Charges Policy and that this policy framework has been developed specifically for charging.

The OSMC note the emerging strategy for Waste and that the progress toward a strategy is being considered by a scrutiny working group.

B) Specific Recommendations:-

Bereavement Services

The OSMC support the proposal to make bereavement services equitable and fair across the County. Members note the fees and charges proposal will maintain existing levels of income (presented as appendix 11 b in the report on the subject. Please see attached). Furthermore that in terms of policy improvement, the headline for the new authority is that Durham County Council will not charge for the interment of any child under the age of 16 and will not charge any additional fee for burials on Saturdays. That all Purchase & Burial Fee's above are to be doubled for non-residents of Durham County Council. Burial Fee's are not to be increased where grave site is already purchased in a Durham County Council's address.

Trade Waste

(NOTE:-Commercial waste is defined as “trade waste from premises used wholly or mainly for the purposes of trade or business or the purposes of sport, recreation or entertainment”.)

- The OSMC support the proposal for a staged harmonisation of Trade Waste Charges over two (2) years in order to soften the impact for businesses. In reaching this position members note the major environmental implications and costs to the County Council associated with landfill. For example of the total current trade income of £807k, £539k goes to landfill costs. Based on this evidence members felt strongly that more should be done to encourage businesses and manufactures to recycle.
- The OSMC in support of the proposal to harmonise trade waste acknowledge the work in progress toward a Waste Strategy and associated action plan that will address issues of landfill and waste disposal generally. An important consideration for the strategy will be to support and encourage business to reuse, reduce and recycle waste as appropriate as part of the local and global challenge for environmental protection.

Bulky Goods collection

- The OSMC support the proposals in appendix 13b (please see attached) in relation to bulky waste refuse collection charging arrangements and service requests that would be phased in over one year.
- There was a view (Cllr Ben Ord) that with the exception of the first 6 items of furniture and similar bulky items be collected free of charge, and then a £10 charge be introduced.
There was a further view (Cllr Kevin Thompson) that 1 or 2 items of furniture and similar bulky items be collected for free before a £10 charge is levied.
- The OSMC suggest that in their role as frontline councillors all members should encourage local residents to come together where there have less than 6 items of bulky goods so that they may share to arrange for its removal and associate costs.
- The OSMC were concerned with the collection of green waste from the 50,000 properties not with green waste collection bins. Members noted that these properties will be phased in at a later date. The OSMC wish to point out

that it would be unfair for those properties not supplied with green waste collection bins to have to pay for the service when other residents did not.

Leisure Centre Fees & Charges and Concessions Policy

- The OSMC support the approach to admission charges within Council leisure centres with regards to price increases and harmonisation of concessionary pricing, as detailed in the report.
- They also supported that the existing mix of leisure services provision be examined post vesting day as part of a managed service transformation and improvement programme. They noted that a Leisure Strategy would be developed over the next few months in consultation with its partners.
- The OSMC suggested a scrutiny review of the Concessions policy. It was agreed that this suggestion would be added to the work programme of the relevant Overview and Scrutiny Committees and considered accordingly.

Concessionary Travel Scheme

- The OSMC support the recommendations in the report namely:-
 - a) A charge is levied for replacement of all lost passes and this is set at £5.
 - b) As a transitional measure, the alternative voucher /token schemes offered in the former Teesdale and Wear Valley areas are retained for recipients only in 2009/10.
 - c) Further consultation and communication is undertaken with existing recipients regarding a managed reduction in the value of the vouchers/token provided in lieu of the standard bus pass, with full removal of the schemes from 2012/13.

Adoption of Clean Neighbourhood Act 2005 (CNEA) Enforcement Powers and fixed penalty notices (FPNs) associated with these powers

- The OSMC support the recommendations in the report for the adoption of the range of powers as detailed in Appendix 2, and support the levels of fixed penalty notices and discounts for early payment as in Appendix 3. (Please see attached appendices)
- The OSMC would like to consider in more detail the County Councils approach to enforcement by looking at for example the role of neighbourhood wardens. Members agreed that any approach to enforcement should be seen within guiding principles of “encourage and engage before enforce”.
- The OSMC recommend that a member’s seminar be held to ensure that members are fully aware of the CNE Act and its implications for local government.

Contact: Feisal Jassat Tel: 0191 383 3506
E-Mail: feisal.jassat@durham.gov.uk
