

Delegated Decision

24 March 2020

**Annual Review of Fees & Charges
2020/21 – Chief Executive's Office**



Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To set out details of the proposed fees and charges to be levied by the Chief Executive's Office for 2020/21.

Executive summary

- 2 In respect of Communications and Marketing it is proposed that fees and charges are increased by 2.0% (subject to rounding), in line with the Medium-Term Financial Plan's inflationary assumptions.

Recommendation

- 3 It is recommended that Resources Management approve the fees and charges for 2020/21 in the schedules attached, at Appendix 2.

Background

- 4 The Constitution provides delegated powers to all Chief Officers, in consultation with the relevant Cabinet Portfolio Member to introduce, review or amend fees and charges.
- 5 Fees and charges should be reviewed at least annually and adjusted where appropriate. Increases in fees and charges are necessary to take into account current and future pressures on budgets and the need to achieve Medium Term Financial Plan (MTFP) savings through maximising service income, as well as reducing expenditure. However, the difficult economic climate means that careful consideration must be given to increasing prices in all discretionary generating areas.
- 6 In accordance with the MTFP model an inflationary increase of 2.0% has been assumed for all 2020/21 income and expenditure “price” budgets. Separate provisions are made for pay inflation. It is for service groupings to decide how this inflation is applied, for example if a service wishes to not apply a 2.0% increase to a certain charge, this needs to be offset by savings elsewhere. Some fees are determined by outside bodies and some elements of discretionary fees have other restrictions imposed that limit the services discretion to amend the fee level.
- 7 The Chief Executive’s Office has a limited amount of activity that can generate fees and charges income. There is a budget of £21,000 for fees and charges in Communications and Marketing and this relates to advertising in County Council publications.

Strategic Context

- 8 The County Council’s Fees and Charges Policy is built around the following key principles:
 - (a) Develop an entrepreneurial approach so that charges, whether new or reviewed, are properly considered and consistent;
 - (b) Compliance with the Local Government Act 2003, which gives wide general powers to provide and charge for “discretionary services”;
 - (c) Adherence to the financial duty to ensure income does not exceed cost;
 - (d) 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);

- (e) The income derived from charging will normally be used to offset the costs of providing the service being charged for, including support service costs.

9 As a general principle, all proposals put forward to alter charges must be affordable, equitable and sustainable. These principles have been applied with regards to price increases throughout this report.

Statutory / Regulatory & Discretionary Charges

10 The Council is able to charge for certain statutory services, with the fee being determined by the Council, in accordance with regulatory restrictions to ensure no “undue profit” is being generated from the charging policy applied.

11 Other fees and charges are set at the discretion of the Council, with only reputational and market conditions being a factor in the decision on the charge that is appropriate. The charges levied in the Chief Executive’s Office are all discretionary.

Communication and Marketing – Advertising Income

12 The Communications and Marketing Team generate income through providing advertising opportunities in various County Council publications and sponsorship for Durham County News.

13 Durham County News is produced in March, June, September and November. It is a 32 page magazine containing news, events, features and competitions keeping the residents of County Durham up-to-date with what the County Council is doing and what is going on in the County. The County Council’s “Guide to Summer Fun” is produced in July and distributed to 234,000 homes across the County. It is an A5, 48 page publication containing details of events during the summer months, plus various coupons and competitions.

14 For 2020/21 we have taken the decision to increase prices in line with the Medium Term Financial Plan’s inflationary assumptions (2.0% subject to rounding). See Appendix 2 for details of charges.

Background papers

- Transformation and Partnerships Management Team Report (19 March 2019) – Annual Review of Fees & Charges 2019/20.

Other useful documents

- None

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Appendix 1: Implications

Legal Implications

The proposals in this report comply with the restrictions on charging applicable to the Council.

Finance

The financial impact of any price increases will be reflected in the revised income budgets for 2020/21.

Consultation

None.

Equality and Diversity / Public Sector Equality Duty

The sensitive pricing of services, particularly in discretionary service areas, is essential in the current economic climate.

Climate Change

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

There are currently no staffing implications.

Accommodation

None.

Risk

Sensitivity of competition where discretionary charges are made.

Procurement

None.

Appendix 2: Proposed Fees and Charges at 1 April 2020

Communications and Marketing	Unit	2019/20 Actual Charge	2020/21 Proposed Charge
Durham County News		£	£
Full page - internal	1 advert	2,260.00	2,300.00
Full page - internal	2 adverts	4,220.00	4,300.00
Full page - internal	3 adverts	6,180.00	6,300.00
Full page - back	1 advert	2,880.00	2,940.00
Full page - back	2 adverts	5,560.00	5,670.00
Full page - back	3 adverts	8,240.00	8,400.00
Half Page	1 advert	1,130.00	1,150.00
Half Page	2 adverts	2,060.00	2,100.00
Half Page	3 adverts	3,085.00	3,150.00
Quarter Page	1 advert	615.00	625.00
Quarter Page	2 adverts	1,130.00	1,150.00
Quarter Page	3 adverts	1,645.00	1,670.00
Strip Advert	1 advert	310.00	320.00
Strip Advert	2 adverts	610.00	620.00
Strip Advert	3 adverts	890.00	910.00
Summer Fun			
Full page -internal	1 advert	2,260.00	2,300.00
Full page– back page	1 advert	2,880.00	2,940.00
Half page	1 advert	1,130.00	1,150.00
Quarter page	1 advert	620.00	625.00
Strip advert	1 advert	310.00	315.00
Our guide to our Services			
Full page -internal	1 advert	2,260.00	2,300.00
Full page– back page	1 advert	2,880.00	2,940.00
Half page	1 advert	1,130.00	1,150.00
Quarter page	1 advert	620.00	625.00
Strip advert	1 advert	310.00	315.00
Sponsorship of County Durham News			
Sponsorship	1 Year	8,240.00	8,400.00

Note: The above charges exclude VAT which is chargeable at a rate of 20%.