

MAXIMISING INCOME FROM FEES AND CHARGES



In the current climate of tight financial settlements and increasing budget pressures, local authorities need to ensure that they maximise income from all potential sources, in line with their policy and service objectives.

With authorities currently considering options for closing the budget gap in 2010/11 and later years, fees and charges represent a key source of income, but one which has been particularly hard hit by the current economic situation.

The Audit Commission's 2008 report, "Positively charged: Maximising the benefits of local public service charges", identified further scope for authorities to improve their charging arrangements. The report also highlighted that, from 2009, the Audit Commission's Use of Resources assessments will take account of how authorities are using charges.

LG Futures has extensive experience in reviewing fees and charges across a range of authorities, in addition to specialising in medium term financial planning and best practice financial management. Our consultants also have direct experience of working as senior local government finance officers, and therefore recognise the political and service constraints associated with charging, and the need for pragmatic recommendations.

We can support you in the following ways:

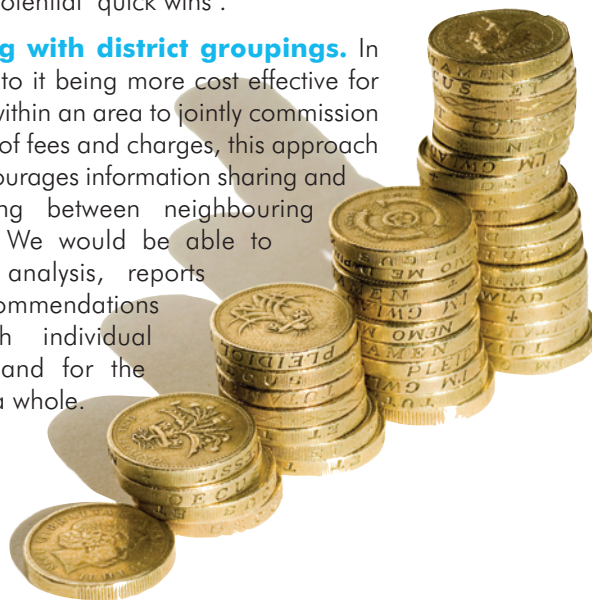
Developing the corporate charging policy. Working with you to identify key principles in relation to charging which can be applied consistently across the authority to create a corporate charging policy framework.

Reviewing existing fees and charges. Working with service managers and finance officers to review areas currently charged for and the extent of charging, including providing managers with 'checklists', to regularly review fees and charges in the future. We can also undertake more detailed option appraisals and develop business cases for potential new areas of charging.

Benchmarking fees and charges. Comparing fees and charges at detailed service level for your authority against groupings of your choice, highlighting key areas of variation, which may indicate scope for adopting alternative approaches to charging.

Awareness of other authorities' approaches. Using our awareness of existing best practice and areas that other authorities are currently considering charging for, in order to identify potential 'quick wins'.

Working with district groupings. In addition to it being more cost effective for districts within an area to jointly commission a review of fees and charges, this approach also encourages information sharing and networking between neighbouring districts. We would be able to provide analysis, reports and recommendations for both individual districts and for the area as a whole.



We would welcome the opportunity to discuss how we could potentially assist your authority in reviewing its fees and charges, ensuring that charging arrangements are robust and income levels are maximised. If you would like to discuss your requirements further, please contact Jude Ranasinghe, Director of Consultancy and Training, on **01908 424387** or email **jude.ranasinghe@lgfutures.co.uk**.