

Item No.	Classification Open	Date: 8 February 2012	Decision Taker: Cabinet Member for Culture, Leisure, Sport and the Olympics
Report title:		Local History Library Fees & Charges 2012-13	
Ward(s) or groups affected:		All	
From:		Strategic Director of Environment & Leisure	

RECOMMENDATION

1. That the Cabinet Member agrees the proposed non-statutory fees and charges for 2012/13, with an implementation date of April 1, 2012 and is notified of the indicative non-statutory fees and charges for 2013/14 and 2014/15.

BACKGROUND INFORMATION

2. The medium term resources strategy (MTRS) 2010/11 – 2012/13 and the corporate income policy require that:
 - Fees and charges are increased to a level, at a minimum, that is equal to the most appropriate London average (e.g. inner London, family, groupings etc) except where this conflicts with council policy, would lead to adverse revenue implications or would impact adversely on vulnerable clients
 - Income generation is maximised by seeking income streams in line with council policies and priorities.
 - All fees and charges capped by statute are increased to the maximum level the cap allows.
3. Only where it can be demonstrated that adverse financial implications might arise or where increases are not considered realistic due to demand and local circumstances, can fees or charges increases be set at a lower level than that set by the MTRS.
4. The council's constitution requires that all fees and charges increases are agreed by the relevant cabinet member through an IDM report. An IDM report is also required where no increase or a reduction in fees and charges is proposed.

KEY ISSUES FOR CONSIDERATION

5. Fees and charges are those charges where there is a schedule of rates for services provided. There are various types, namely mandatory and discretionary i.e. where the authority must charge or where there is a choice of charging or not. Whether mandatory or discretionary, the charges will be either:
 - Fixed – where the level of charges is set by statute and the authority has no discretion.
 - Capped - where a maximum level is set, generally by statute and so charges cannot be set above this level, or
 - Flexible – where there is full discretion on the level of charges to be set

6. Where the authority has a choice about charging, any decision not to charge must be agreed by the relevant cabinet member. This will be reviewed annually and will be considered within the context of the overall budget position.
7. In arriving at the proposed fees and charge levels, consideration has been given to a number of factors, including; volume assumptions, benchmarking data, market forces and sensitivity i.e. the impact that increases will have on its customers' ability to pay and the take-up of services. Another factor taken into account is that, whilst Southwark may have discretion over the level of fees set, in many cases, this is on a cost recovery basis or must have due regard to the cost of service and be reasonable. The cost of service provision has therefore, also been a consideration in arriving at the proposed fees.
8. Table 1 (see paragraph 12) details the total income expected to be generated from non-statutory fees and charges. A full list of non-statutory fees and charges to be approved are shown in appendix 1.
9. It is proposed to increase fees and charges by varying percentages; the reasons for this vary and are explained in paragraphs 10 to 11 of this report.

Proposed fees

10. The library has a large photographic, document and map collection, covering all aspects of life in Southwark. Charges are made for publications, reproductions and the photographing of documents and maps. The Local History Library has historically had a complicated fee structure comprising of 51 different fees. The income earned by the service has been extremely low. An in-depth review (including a benchmarking exercise) of the fees of this service have revealed that in certain cases fees charged were too low, or had not been updated or replaced with new charges to reflect the impact of recent technological multimedia changes and innovations. This was radically overhauled in 2011/12 in an attempt to increase income from fees. The number of fees was reduced to 23 and re-focused fees on areas where more potential income can be generated. As the effect of these changes was uncertain, the original £1,070 budget was left unchanged for 2011/12. It can now be seen that the effect on income was significant, as the projected outturn is expected to be £4,155.
11. The proposal for 2012/13 is to continue the re-focusing of fees on areas where more potential income can be generated, in particular the use of terrestrial, satellite and cable usage, research time and reservation charges for film usage. It must be noted that these changes are designed to have a minimal impact on the local Southwark population, and are aimed rather at companies and professionals making use of the service for commercial purposes. As an example, the fee schedule states that students are exempted from paying film location fees. The new proposed fees are detailed in appendix 1 of this report, and benchmarking information is included in appendix 2.

Financial implications

12. Table 1 shows the budgets and projected out turn for 2011/12 and the anticipated income levels for 2012/13 arising from the proposed fees and charges increases.

Table 1 – Local History Library: budget and actual income figures

Business Unit / Income Stream	2011/12 Budget	2011/12 Projected out turn	2012/13 Proposed Budget	Increase in income	Comments
	£	£	£	%	
-Local History Library	1,070	4,155	4,250	2.3%	

13. Budget assumptions and implications

The 2012/13 income budget for this area will be increased to reflect the amount shown in Table 1 above. It is not expected that there will be a significant increase from 2011/12 to 2012/13 with regards to actual income achieved. This is because most of the newly proposed fees occur infrequently. Some- although potentially significant- occur less than once a year.

14. Staffing implications

There are no staffing implications to be considered.

Community Impact Statement

15. One of the key considerations in arriving at the proposed levels was the price sensitivity i.e. the impact that increases will have on customers' ability to pay and the take-up of services. In addition, concessionary fees apply for community groups, the young, the elderly, and for those on means tested benefits. This needs to be balanced with the Council's MTRS as outlined in paragraph 5 and the requirement to increase fees and charges year on year

Consultation / Notification of fee increases

16. Consultation is not required on the above fees and charges. However, formal notification of price increases is required. Once approved, notification of fee increases will be published through the appropriate channels.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Finance Director (NR0112)

17. This report recommends that the cabinet member agrees the proposed non-statutory fees and charges for 2012/13, with an implementation date of April 1, 2012 and is notified of the indicative non-statutory fees and charges for 2013/14 and 2014/15.
18. The Finance Director notes that the Medium Term Resources Strategy (MTRS) policy is to generally increase fees and charges to a level that is equal to the most appropriate London average except where this conflicts with Council policy or would lead to adverse revenue implications or would impact adversely on vulnerable clients.
19. The Finance Director notes the financial implications contained within the report and the fees and charges proposed for 2012/13. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

Strategic Director of Communities, Law and Governance (SB0112)

20. The Cabinet Member for Culture, Leisure, Sport and the Olympics is asked to approve the recommendation set out in paragraph 1 relating to the proposed implementation of non-statutory fees and charges pertaining to the Local History Library, as outlined in this report.
21. Section 93(1) of The Local Government Act 2003 enables the Council to charge for providing discretionary services.
The power in the Act is subject to the requirement that the Council is not prevented from charging for the services by virtue of any other legislation. The Strategic Director of Communities, Law & Governance is not aware of any specific legislative provision which would prevent the Council from relying on these powers to charge.
22. The power to charge for a service under the Act is also subject to the duty to make sure that, taking one financial year with another, the income from charges made from a service does not exceed the cost of the provision of the service.
23. The Council is, therefore allowed to set the level of the charge for each discretionary service that it thinks fit and considers reasonable, subject to those charges not exceeding the costs of the provision.
24. The report confirms how the legal requirements for notification of any proposed increases in charges are to be complied with. Officers should ensure that all forms of notification explain how and to whom any complaints or queries should be made.
25. The approval of the fees and charges sought in this report is a matter reserved to the Cabinet Member for individual decision making in accordance with Part 3D paragraph 3 of the Council Constitution.
26. The proposed increases are intended to be consistent with the Medium Term Resources Strategy and will apply to the existing non-statutory fees and charges.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact

APPENDICES

No.	Title
1	Detail of proposed Local History Library fees 2012/13 to 2013/14
2	Benchmarking data Local History Library fees

AUDIT TRAIL

Lead Officer	Gill Davies, Strategic Director Environment & Leisure
Report Author	Adrian Whittle, Head of Culture Libraries Learning and Leisure
Version	Final

Dated	8 February 2012	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	8 February 2012	