

Item No.	Classification Open	Date: 19 January 2016	Decision Maker: Cabinet Member for Environment and the Public Realm
Report title:		Burial Services Fees and Charges 2016/17	
Ward(s) or groups affected:		All	
From:		Strategic Director of Environment & Leisure	

RECOMMENDATION

1. That the cabinet member agrees the proposed non-statutory fees as shown in Appendix 1 attached with this report for 2016/17, with an implementation date of 1 April 2016.

BACKGROUND INFORMATION

2. This report sets out proposals for the Burial Services Fees and Charges 2016/17.
3. The Medium Term Resources Strategy (MTRS) 2015/16 – 2017/18 and the corporate income policy require that:
 - Fees and Charge 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.
4. 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.
5. The Council's constitution requires that all fees and charges increases are agreed by the relevant Cabinet Member through an Individual Decision Maker (IDM) report. An IDM report is also required where no increase or a reduction in fees and charges is proposed.

KEY ISSUES FOR CONSIDERATION

6. 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 where fees have to be set at a level only relating to the costs incurred by the Council in delivering the relevant service, or
 - Flexible – where there is full discretion on the level of charges to be set.
7. Where the Authority has a choice about charging, any decision not to charge must be agreed by the relevant cabinet member. This is to be reviewed annually and considered within the context of the overall budget position.
8. This report only seeks approval for fees and charges for which there is discretion or where fees are capped, although, all fees and charges are included in the Appendices for information.
9. 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.
10. Table 1 below 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 is shown in Appendix 1.

Burial Services (Appendix 1)

11. Benchmarking of cemetery fees this year indicates that most of the burial services fees need to be increased ranging from 2 to 12% in line with the inner London average with the exception of 2 items as below. Those that are already in line with the inner London average will remain frozen at 2015/16 levels.
12. It is proposed to introduce a new fee for Hospital Contact Cremations at a lower rate than our early morning cremation charges. These contacts have previously been using the social service charge with no formal agreement and the fee proposed for this service is £300 per cremation.
13. It is proposed to introduce a new fee of £675 for late cremation services held from 4pm. This fee remains below the inner London Average.
14. It is proposed to introduce a new memorial fee for an inscribed leaf on the Honor Oak Crematorium Tree of Remembrance @ £45.00 per year.

Resource implications

15. Table 1 shows the budgets for 2015/16 and the anticipated income levels for 2016/17 arising from the proposed fees. Budget assumptions are covered in the comments accompanying the financial table and the above paragraphs.

Table 1 – Burial Services Discretionary Fees and Charges

Division/ Income Stream	2015/16 Income Budget	Expected Increase in income arising from increased fees	2016/17 Estimated Income Budget
	£	£	£
Cemetery services	1,611,771	0	1,611,771

Budget assumptions and implications

16. Any benefits or repercussions for demand for services arising from the proposed increases in fees and charges will be reflected in revenue monitoring reports and future budget proposals. Any variances will be contained within existing budget for 2016/17 financial year.

Staffing implications

17. There are no staffing issues associated with this report.

Community impact statement

18. Given the current economic climate and general cost of living increases experienced by Southwark residents and businesses, where possible, fees have been frozen. Changes are proposed only where the council are not covering its actual costs or where anomalies exist within its current pricing structure. Where possible discounts have been applied for the vulnerable users e.g. Parking permit charges for people with disabilities.

Consultation / Notification of fee increases

19. Consultation is not required on the above fees and charges. However, once approved, notification of fee increases will be published through the appropriate channels and key stakeholders.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

20. The cabinet member for environment and the public realm is requested to approve the 2016/17 non-statutory fees and charges as outlined in this report. The recommendations will take effect on 1 April 2016 if approved.
21. 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's constitution.

22. The proposed increases are intended to be consistent with corporate policy, in particular the Medium Term Resources Strategy and will apply to the existing non-statutory fees and charges. The community impact statement contained within paragraph 18 notes that the proposed fees and charges have been recommended following consideration by officers of their likely impact and effect on individuals and groups within the community (in particular, those having a protected characteristic) with reference to the Public Sector Equality Duty imposed by section 149 of the Equality Act 2010
23. 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 Director of Law and Democracy is not aware of any specific legislative provision which would prevent the Council from relying on these powers to charge.
24. 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.
25. 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.
26. There are no prescribed legal requirements for consultation on the proposed fees and charges although any proposed increases will need to be publicised and notified. Officers should ensure that all forms of notification explain how and to whom any complaints or queries should be made.

Strategic Director of Finance and Governance

27. This report recommends that the cabinet member for environment and the public realm agrees the proposed non-statutory fees and charges for 2016/17, with an implementation date of 1 April 2016.
28. The strategic director of finance and governance notes the resource implications contained within the report and the comparison of proposed council fees with the appropriate inner London average fees.
29. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Burial Services Fees and Charges 2016/17 working papers and relevant emails	Southwark Council, Environment and Leisure Department, 160 Tooley Street, London SE1 2QH	Jamshed Manzoor, Divisional Accountant 020 7525 2111

APPENDICES

No.	Title
Appendix 1	Burial Services – non-statutory fees and charges

AUDIT TRAIL

Lead Officer	Deborah Collins, Strategic Director, Environment & Leisure	
Report Author	Rebecca Towers, Head of Parks and Leisure, Environment & Leisure	
Version	Final	
Dated	19 January 2016	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	19 January 2016	