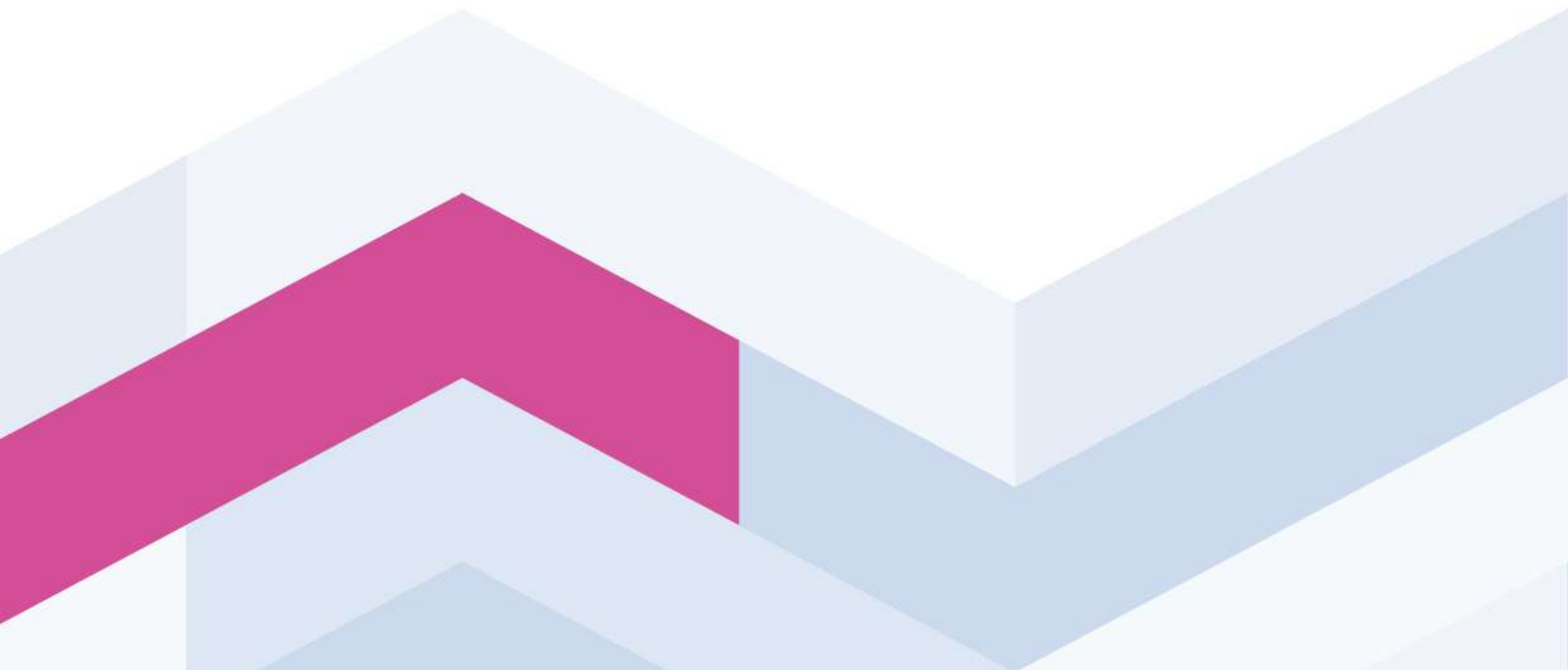


Fees and Charges Policy

V0.1

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1. Policy Purpose

- 1.1. This policy outlines the principles and procedures for setting, reviewing and managing fees and charges for services provided by Staffordshire County Council (SCC).
- 1.2. It aims to promote consistency, transparency and fairness in charging practices across the Council, as well as ensuring the financial sustainability of services through appropriate cost recovery.

2. Policy Scope

- 2.1. This policy applies to all services provided by the Council where charges may lawfully be applied.
- 2.2. It applies to:
 - Statutory services where charging is permitted by law
 - Discretionary services provided by the council
 - Trading activities undertaken on a commercial basis
- 2.3. Fees and charges that are agreed through formal partnerships, joint committees, or joint service arrangements with other organisations are governed by those bodies' own decision-making processes. These fees are therefore outside the scope of this Corporate Fees and Charges Policy. For transparency, they may still be listed in the Council's corporate fees and charges schedule, but responsibility for setting and reviewing them rests with the relevant partnership. Examples of fees subject to committee approval include those ratified by the Joint Archives Committee and charges set by the Staffordshire Safer Roads Partnership.

3. Legal and Regulatory Framework

- 3.1. The legislative framework for charging is complex, and services must ensure that any charges that are applied meet the current legal requirements.
- 3.2. The Provision of Services Regulations 2009, which implement the EU Services Directive, require that local authorities set fees and charges in a transparent, proportionate, and non-discriminatory manner. Under these regulations, charges must reflect the actual cost of service provision and must not create unjustified barriers to access or competition. Local authorities are also obliged to make information

about their fees and the basis for calculation readily available to service users, supporting principles of openness and accountability in public sector financial management.

- 3.3. Section 93 of the 2003 Local Government Act allows authorities to charge for services that they have a power (but not a duty) to provide. While the income they can earn from these charges is restricted to the cost of providing them (i.e. charges made under this power are limited to cost recovery), there is no restriction on how the costs are calculated. Whilst fees and charges cannot be used to make a profit, they could provide the opportunity to invest in infrastructure, because all aspects of service provision can be included in cost. Authorities can also use differential charging based on people's ability to pay. The Authority can also charge for statutory services whereby fees may be set either locally by the Council, or centrally by Government. The general power to charge for discretionary services has the following key features:
- Authorities are under a duty to ensure that, year on year, the income from charges cannot exceed the costs of provision.
 - Authorities must already have the power to provide the service.
 - The recipient of the service must have agreed to its provision and agree to pay for it.
 - It does not apply to services which an Authority is mandated, or has a duty, to provide.
- 3.4. The Local Authorities (Goods and Services) Act 1970 governs the way in which local authorities are allowed to 'trade' with other public bodies. It authorises local authorities to enter into agreements with public bodies for the provision of goods, materials and administrative, professional and technical services, for the use of vehicles, plant and apparatus, and for the carrying out of maintenance.
- 3.5. Section 95 of the LGA 2003 does allow councils to trade commercially through a company and to enter into commercial contracts. However, any consideration of setting up a company will require review by the Director of Finance and Resources and the structure, purpose and charging to be approved by committee
- 3.6. The discretionary services charging powers do not apply when councils have powers to charge for services. Some charging powers are more specific and derive from legislation that applies to specific service areas, for example:

- Care Act 2014 – Charging for adult social care services
- Highways Act 1980, Environmental Protection Act 1990, and other relevant statutes

4. Categories of Fees and Charges

4.1. Fees and charges set by SCC fall into a small number of defined categories, each reflecting the legal and operational frameworks under which services are delivered. Correct classification is essential as it determines how prices are set, the degree of cost recovery permitted, and the level of governance required. All fees and charges must be allocated to one of the categories below to ensure consistency, transparency, and compliance with legislation.

Category	Definition	Examples
Statutory fees or charges	Set or capped by national legislation	Blue badge fee, planning applications, care fees
Discretionary fees or charges	Set by the council for services it chooses to provide	Adult learning courses
Trading services	Commercial activities with market-based pricing	Catering services, venue hire, business training

4.2. Other income received by the Council that does not constitute a fee or charge, such as rental income from Enterprise Centres or Farms, income from Service Level Agreements (SLAs), and commercially sensitive trading income, is outside the scope of the charging categories defined in this policy. These income sources are governed by separate policies, legal frameworks, or service-specific agreements.

5. Principles for Setting Fees

5.1. Staffordshire County Council's fees and charges are guided by the following principles:

- Cost recovery: Charges should aim to recover the full cost of service delivery unless a subsidy is justified.

- Equity and fairness: Consideration is given to ability to pay, with concessions for vulnerable groups.
- Transparency: Charges are published clearly with rationale and basis.
- Commercial awareness: Charges are benchmarked against market rates and neighboring authorities.
- Strategic alignment with council objectives
- Review and Accountability: Charges are reviewed annually and approved by the relevant Senior Leadership Team (SLT) member, in line with the delegated authority set out in the Council's Constitution.

6. Cost Recovery Methodology

- 6.1 To support full cost recovery, services are advised to use the standard hourly rate template as per Appendix G, which sets out organisational overheads and allows for service specific costs to be added where required. The template will be updated annually in line with the Medium Term Financial Strategy (MTFS) assumptions to maintain accuracy. Using this template ensures a consistent, transparent and robust approach to calculating fees and charges. Any surpluses generated must be used for service improvement and not for profit.
- 6.2 Ensuring full cost recovery means that the delivery of the service does not place an additional burden on the authority's funding envelope. In effect, service users cover the true cost of provision, maintaining fairness across the wider community and safeguarding core Council resources for other essential services.
- 6.4 Unless the budget holder identifies a more appropriate alternative, inflation should be applied using the standard inflation assumed in the MTFS.
- 6.5 There may be circumstances where applying an inflationary uplift is not advisable or not possible. In this case, the budget holder must provide the reasons for taking this approach. For example where increasing the charge is likely to have an adverse effect on the level of income the Council receives.

7. Cost Recovery and Financial Sustainability Approach

- 7.1 This section sets out the Council's overarching approach to ensuring that fees and charges are financially sustainable, transparent, and aligned with organisational objectives.
- 7.2 As part of the annual review of fees and charges, each service will work with their Finance Business Partner to consider whether the current fee or charge achieves full cost recovery. This assessment will consider:
- The full cost of providing the service, including direct, indirect, and overhead costs
 - Any statutory constraints on charging
 - Market conditions and benchmarking where relevant
 - Strategic or policy considerations
- 7.3 When a review identifies that a service is not recovering its full costs, the next step is for Finance Business Partners and Heads of Service to:
- Assess the underlying reasons for the financial gap
 - Consider the scale, impact, and context of the difference
 - Identify appropriate actions to reduce or mitigate the impact. Actions may include adjusting charges, reviewing operating models, improving cost efficiency, or developing a phased plan where immediate changes are impractical.
 - Agree an approach that balances financial sustainability with service priorities, statutory requirements, and community impact
- 7.4 All decisions relating to cost recovery, proposed adjustments, or mitigation plans will be recorded in the annual Fees and Charges schedules and reviewed through the established governance process.

8. Review and Update Process

- 8.1 All SLT members have delegated authority to determine adjustments to annual fees and charges in line with the provisions of Financial Regulations.
- 8.2 The proposed Fees and Charges schedules will be submitted annually to the appropriate SLT for approval. As part of this process, the SLT members will review the proposed changes, including financial validation by their relevant Finance Business Partners. SLT approval authorises the schedules to be implemented.
- 8.3 Any amendments to fees and charges must be undertaken in accordance with the County Council's Community Impact Assessment (CIA) Policy, ensuring that potential effects on local communities and the environment are appropriately evaluated and addressed.
- 8.4. The annual review of Fees and Charges is initiated by the Finance Business Partners for each service area, working in collaboration with the relevant service lead. The review cycle typically begins in September and concludes in February.
- 8.5. Process for introducing, reviewing, approving and implementing fees and charges is detailed in Appendix A.
- 8.6. Governance for introducing or amending a fee or charge is detailed in Appendix B.
- 8.7. Roles and responsibilities for introducing, reviewing, amending and managing fees and charges are further detailed in Appendix C
- 8.8. Standard templates for fees and charges schedules are provided in Appendices D and E.

9. Communication and Transparency

- 9.1. A schedule of fees and charges will be published annually, with as much advance notice as practicable to support service users in planning and decision making.
- 9.2. The Council will maintain transparency by:
 - Publishing fees and charges in a format that is easy to access and understand.
 - Providing clear guidance on how service users may raise queries or appeal charges, as detailed in Appendix F.

- Ensuring that any changes to fees and charges are communicated in a timely manner.
- Embedding communication protocols within the annual review cycle to ensure alignment with the MTFS process.

Appendix A

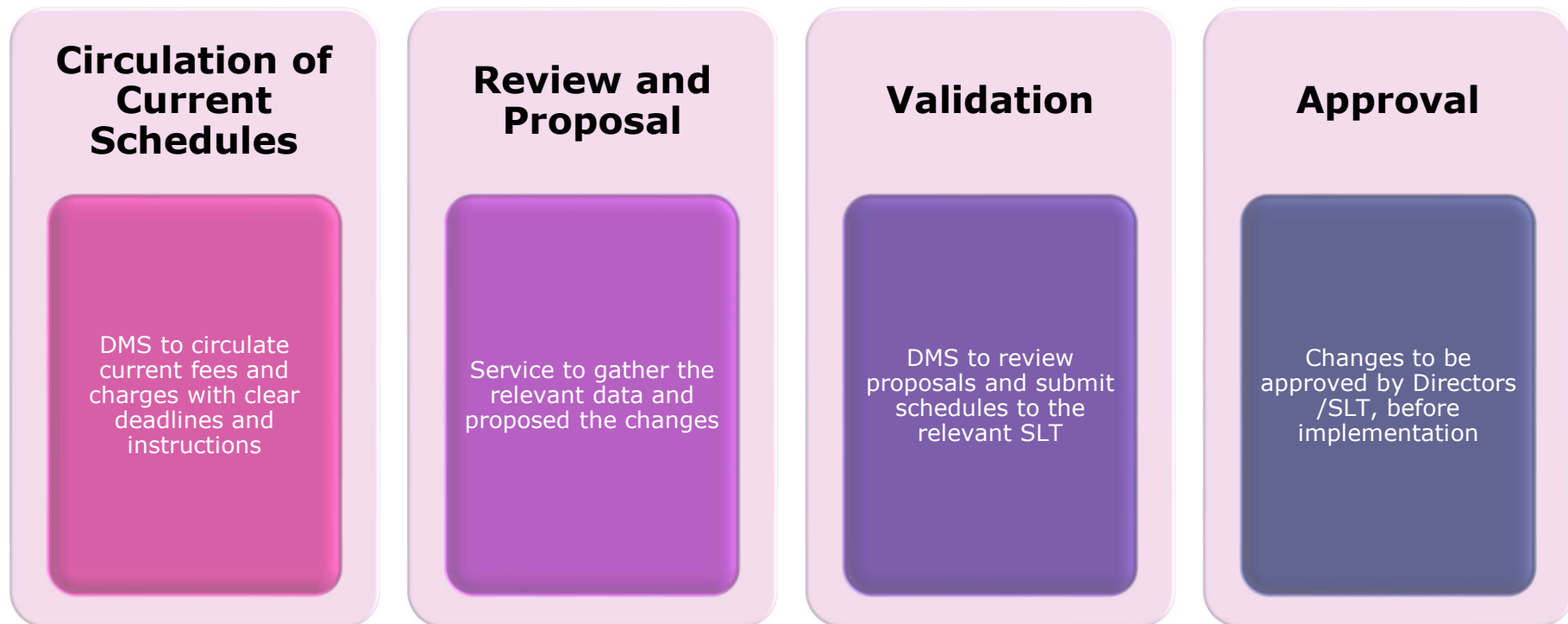
Process for introducing, reviewing, approving and implementing a fee or charge

Stages	Responsible	Stakeholders	Steps	Documents	Timeline	Decision Points
1. Circulation	Decision Making Support (DMS)	Service Managers / Heads of Services	1.DMS to circulate current schedules to Services Managers and Head of Services, including clear deadlines and instructions.	Existing Fees and Charges Schedule	September/October	
2. Review and proposal	Service Managers / Heads of Services	Decision Making Support (DMS) Legal Services Corporate Finance (VAT advisor)	<ol style="list-style-type: none"> 1. Review existing fees / identify need for a new or revised fee (e.g., cost changes, new service, policy update) 2. Check if there is legal power to charge (when applicable for new fees or charges) 3. Check VAT rate/implications - Contact VAT advisor (Corporate Finance) 4. Collect data: <ul style="list-style-type: none"> Benchmarking with other councils Cost of service delivery Statutory limits or guidance Conduct Equality Impact Assessment (if applicable) 5. Determine if consultation is required (based on nature of fee) 6. Recommend fee level 7. Submit proposal to DMS for review 	Fee Proposal Information Costing spreadsheet Equality Impact Assessment (EIA)	November	
3. Validation	DMS	Service Managers Legal Corporate Finance	<ol style="list-style-type: none"> 1. Review information to reviewed fee or charge on the schedules 2. Assess each fee or charge against the cost recovery and financial sustainability approach as per Section 7 and work with the service to review any areas requiring attention 3. Compile fees and charges schedule to share with Directors 4. Share fees and charges schedule with VAT advisor, to review rates 5. Check against Council's fees and charges policy and MTFS Strategy 	Finance review notes	December	
4. Approval and Decision-Making	DMS	Senior Leadership Team (SLT) / Directors	<ol style="list-style-type: none"> 1. Submit to Directors/SLT for approval. 2. Keep records of approval for audit trail e.g. emails, recorded minutes. 	Emails / minutes	January/February	Decision Points: Approval granted? <input checked="" type="checkbox"/> Yes → proceed to implementation <input type="checkbox"/> No → return to Service Department for revision.
5. Implementation	Service Department / Finance / Communications	ICT, Customer Services, Income Team	<ol style="list-style-type: none"> 1. Update financial systems (e.g., VAT codes, income codes, fees database) 2. Update website, leaflets, and service systems (if needed) 3. Ensure changes are applied from the effective date 	Updated Fees and Charges schedule Communication notice System change logs	April	
6. Monitoring	Service Department / DMS / Internal Audit	Corporate Finance, Audit Committee	<ol style="list-style-type: none"> 1. Monitor income performance vs. budget forecasts 2. Identify variances and report as per quarterly budget monitoring 3. Internal audit exercise 	Forecast monitoring Variance analysis Audit report	Quarterly	

Appendix B

Governance for introducing or amending a fee or charge

Set out below is the high-level process for introducing new fees or charges or making amendments to existing ones. This process should be read alongside the wider fees and charges procedures and the defined roles and responsibilities outlined in this policy, including Appendices A and C.



Appendix C

Roles and responsibilities for introducing, reviewing, approving and implementing a fee or charge

This section outlines the governance process for introducing, reviewing, amending, and managing fees and charges in accordance with the SCC Fees and Charges Policy. The table below presents the key roles, responsibilities, expected outputs, timelines and dependencies, of each stakeholder involved in the process.

Role	Responsibility	Key Outputs	Dependencies
DMS (Finance Business Partners)	Start the annual cycle. Provide financial advice and support. Validate cost recover assumptions and financial sustainability. Ensure alignment with budget setting and MTFS. Elaborate F&C Schedule for SLT	Financial review notes; F&C Schedule for SLT	Service Lead updates on current schedules, MTFS assumptions
Service Manager/Head of service	Review current F&C. Identify and propose new or amended fees and charges. Ensure compliance with policy and legal framework.	Proposal documents F&C schedules completed	Current approved F&C schedules F&C Policy, Finance, VAT and Legal guidance
Directors/SLT	Review and approve adjustments to annual fees and charges.	Approval records (e.g. emails, minutes)	Head of Service review, updated F&C schedules

The following table summarises the supporting roles within the fees and charges process, including their responsibilities and dependencies.

Role	Responsibility	Key Outputs	Dependencies
Legal Services	Confirms statutory responsibility (applicable to new charges)	Legal sign-off	Service manager inputs
Corporate Finance	Ensuring coding structure aligns with audit requirements	Statement of Accounts	Fees and Charges Schedule from DMS
Audit	Review process complies with internal regulations and policies	Audit report	Fees and charge schedules and policy

Appendix D

Standard template for fees and charges approval

This appendix provides a standardised template for the Fees and Charges to be submitted to Directors for approval, intended to support consistent presentation and reporting across service areas.

Item	Unit	Charging Type (e.g. statutory)	Existing 2025/26 Charge £	Proposed 2026/27 Charge £	% Change

Appendix F

Service User Queries and Appeals process

The following guidance outlines the process to raise queries or appeal to fees or charges.

Service users may raise queries regarding fees and charges. These queries can be submitted via the Staffordshire County Council Contact Us page, <https://www.staffordshire.gov.uk/Contact/Contact.aspx>

If the service user remains dissatisfied, and wishes to formally appeal a charge, a written request outlining the grounds for appeal must be submitted through the Council's complaints procedure, accessible via the Staffordshire County Council website, <https://www.staffordshire.gov.uk/Contact-compliments-and-complaints/complimentscommentscomplaints/Complaints.aspx>

Appendix G

Standard hourly-rate calculation template

This appendix provides a standard hourly-rate calculation template to ensure a consistent and transparent approach to cost-recovery across all services. It outlines the required components for calculating organisational overheads alongside the service-specific direct costs involved in delivering an activity.

Grade	Salary Cost (1)					SCC Overheads (2)								Calculations (3)			Service Specific Direct Cost (4)					Total Full Cost Including Overheads and Specific Direct Costs £	
	Mid Point SCP	Basic Salary £	National Insurance £	Pension £	Total Salary Costs £	Travel £	Training £	Property Cost per Desk £	ICT £	Printing £	Payroll Costs £	HR Support £	Total Overheads £	Hourly Rate Including Overheads £	Service Hours required	Total Cost per Service Including Overheads £	Material	Travel					Total Service Direct Costs £
G02	2	25,145	3,022	7,694	35,862	632	257	2,850	855	19	159	642	5,414	27.84		0.00						0.00	0.00
G02/3	3	25,540	3,081	7,815	36,436	632	257	2,850	855	19	159	642	5,414	28.23		0.00						0.00	0.00
G03	4	25,941	3,141	7,938	37,019	632	257	2,850	855	19	159	642	5,414	28.62		0.00						0.00	0.00
G04	5	26,350	3,203	8,063	37,616	632	257	2,850	855	19	159	642	5,414	29.03		0.00						0.00	0.00
G04/05	6	26,769	3,265	8,191	38,225	632	257	2,850	855	19	159	642	5,414	29.44		0.00						0.00	0.00
G05	7	27,195	3,329	8,322	38,846	632	257	2,850	855	19	159	642	5,414	29.86		0.00						0.00	0.00
G05	8	27,629	3,394	8,454	39,477	632	257	2,850	855	19	159	642	5,414	30.28		0.00						0.00	0.00
G05/6	9	28,072	3,461	8,590	40,122	632	257	2,850	855	19	159	642	5,414	30.72		0.00						0.00	0.00
G06	11	28,986	3,598	8,870	41,454	632	257	2,850	855	19	159	642	5,414	31.61		0.00						0.00	0.00
G06	12	29,456	3,668	9,014	42,138	632	257	2,850	855	19	159	642	5,414	32.08		0.00						0.00	0.00
G06	14	30,426	3,814	9,310	43,551	632	257	2,850	855	19	159	642	5,414	33.03		0.00						0.00	0.00
G06/7	15	30,925	3,889	9,463	44,276	632	257	2,850	855	19	159	642	5,414	33.52		0.00						0.00	0.00
G07	17	31,953	4,043	9,778	45,773	632	257	2,850	855	19	159	642	5,414	34.53		0.00						0.00	0.00
G07	19	33,023	4,203	10,105	47,331	632	257	2,850	855	19	159	642	5,414	35.58		0.00						0.00	0.00
G07	20	33,575	4,286	10,274	48,135	632	257	2,850	855	19	159	642	5,414	36.12		0.00						0.00	0.00
G07/8	22	34,710	4,456	10,621	49,788	632	257	2,850	855	19	159	642	5,414	37.24		0.00						0.00	0.00
G08	23	35,467	4,570	10,853	50,890	632	257	2,850	855	19	159	642	5,414	37.98		0.00						0.00	0.00
G08	24	36,474	4,721	11,161	52,357	632	257	2,850	855	19	159	642	5,414	38.97		0.00						0.00	0.00
G08	25	37,454	4,868	11,461	53,783	632	257	2,850	855	19	159	642	5,414	39.93		0.00						0.00	0.00
G08	26	38,398	5,010	11,750	55,158	632	257	2,850	855	19	159	642	5,414	40.86		0.00						0.00	0.00
G08	27	39,367	5,155	12,046	56,568	632	257	2,850	855	19	159	642	5,414	41.81		0.00						0.00	0.00
G09	28	40,327	5,299	12,340	57,965	632	257	2,850	855	19	159	642	5,414	42.75		0.00						0.00	0.00
G09	29	41,058	5,409	12,564	59,030	632	257	2,850	855	19	159	642	5,414	43.47		0.00						0.00	0.00
G09	30	42,000	5,550	12,852	60,402	632	257	2,850	855	19	159	642	5,414	44.40		0.00						0.00	0.00
G09	31	43,024	5,704	13,165	61,893	632	257	2,850	855	19	159	642	5,414	45.40		0.00						0.00	0.00
G09	32	44,124	5,869	13,502	63,495	632	257	2,850	855	19	159	642	5,414	46.48		0.00						0.00	0.00

Notes

- (1) Salary cost assumed 3% increase for 2026/27 as per MTFS
- (2) SCC Overheads based on 4,289 FTEs
- (3) Hourly rate based on 1,482.5 productive annual hours
- (4) For you to fill in with any specific direct costs relating to your service