

	stant director - communities
Decision date:	25 April 2016
Title of report:	Archive service review of charges
Report by:	Senior archivist

Classification

Open

Key decision

This is not a key decision

Wards affected

Countywide

Purpose

To approve a proposed increase to charges for services offered by the archive service, including provision of archive copies, specialist advice, research services and talks and tours led by staff, together with annual increases in line with inflation. The proposals reflect the need to maximise income from the learning room as a venue for conferences and other business events. The proposals are based on comparative study of charges made by neighbouring archive services and represent a key element of the income generation strategy of the archive service.

The proposed changes are in response to a cabinet report of March 2016 in which an income target of £16,000 was set for the archive service for the financial year 2017/18. A target of £8,000 was set for the financial year 2018/19. The proposed increases are designed to meet those requirements and contribute towards cost recovery for the service. They are further designed to balance the need to increase income against the possibility of inhibiting use by some members of the public.

Recommendation(s)

That:

the proposed list of charges (at appendix 1) for services offered by the archive service be

- a) approved for the financial year 2017/18; and thereafter charges be increased annually in line with inflation**
- b) effective from 1 April each year.**

Alternative options

- 1 Current charges to be maintained, which would potentially be well received by users, particularly groups requesting talks. Users regularly observe, however, that services offered by the archive service are under charged and reasons for the increases are likely to be understood. Maintaining current charges would mean that cost savings for the service would become increasingly difficult to achieve.

Reasons for recommendations

- 2 Service charges have not increased for five years and no longer represent a realistic contribution towards cost recovery. Cost recovery demands for the service for the financial year 2017/18 mean that every reasonable opportunity to maximise income from goods and services must be considered. This is particularly the case for the learning room, which through hire to external groups, has the potential to provide the most successful source of income for the service.

Key considerations

- 3 Charges for goods and services provided by the archive service have not been increased for five years and are currently set lower than those levied by equivalent services in the West Midlands. The relocation of the service to the Herefordshire Archive and Records Centre has presented an opportunity to recover costs more successfully than at any time in its history. The availability of the learning room for hiring to external groups, a reception desk and sales point and new equipment such as a digital microfilm printer now mean that charges can be increased in a way that reflects improvements to service provision. In the current financial climate, it is imperative that the service should be given the opportunity to recover as great a proportion as possible of its costs.
- 4 The recommended changes to charges are aligned to the councils agreed charging principles.

Community impact

- 5 Community impact will be minimised: only groups seeking to make use of the learning room or engaging staff to give talks will be affected. The proposed pricing structure for the hire of the learning room is designed to minimise impact on voluntary groups and charities. General use of the service – visiting the search room for research purposes - will continue to be free for all users. The committee of the Friends of

Herefordshire Archives, the independent advocacy body for the service, has approved the proposed increase to charges.

Equality duty

- 6 Since the core service provided by the archive service will continue to be free to all users, the proposed changes will not adversely affect its commitment to meeting the requirements of the Equality Act 2010.

Financial implications

- 7 The proposed changes will contribute to meeting the service income target of £16,000 for 2017/18 set by cabinet in March 2016 as follows:

	2017/18 £000	2018/19 £000	Total £000
HARC review of charging / hire fees	7	3	10
Archives conservation charging	7		7
On-line charges for archives	2	5	7
Total	16	8	24

Legal implications

- 8 The Council has the power to charge for discretionary services (i.e. services it is permitted but not obliged to provide). This power is given under section 93 of the Local Government Act 2003.
- 9 Under section 93(3) the Council does not have the power to charge beyond recovery of the Council's costs in providing the service. In other words, there cannot be any profit component in the charges.
- 10 It appears from this report that the charges are calculated on a cost-recovery basis only. The Council must be vigilant over time to ensure this remains the case over time. For example, if the Council's costs reduce, the charges must also reduce.
- 11 If in future the Council wishes to charge in a way to make profits, it would need to do so under the 'trading' powers in section 95 of the Local Government Act 2003. The Council would need to establish a company to carry out such trading activity, and would need to prepare a business case. Legal Services have advised relevant officers of this option. The Council does not wish to make a profit at this stage, but may wish to review the matter over time.
- 12 The Council's imposition of these charges does not breach the Local Government (Records) Act 1962. Section 1(1) clearly anticipates the possibility of charging the public for access or use of records under the Council's control.

Risk management

- 13 The council may suffer reputational damage as a result of the proposed increase to charges but this is unlikely to be significant as the key service provision – access to the archive collections – will continue to be free. Users understand both the need to generate income for the service and the current low level of charges relative to those

levied by equivalent services in the West Midlands. Most increase will be modest and will be matched by increased quality of services, including better digitised copies of entries from microfilmed archives. documents.

If the proposal is declined, the ability of the archive service to work towards financial savings will be compromised.

Consultees

14 The committee of the Friends of Herefordshire Archives, the independent advocacy body for the service, has approved the proposed increase to charges.

Appendices

Appendix 1 - List of proposed charges for goods and services attached.

Background papers

- None identified.