

Recommendation No. 1	Council should consistently apply the principles for setting or amending fees and charges agreed last year and revised by this group and by PwC. These principles should be set out as part of the annual budget papers where the full schedule of fees and charges is included. Any future presentation of the schedule to members should include a covering report setting out how the principles have been met.			
Executive's Response	<i>The recommendation is accepted. Officers will ensure the principles are applied. The budget papers for Cabinet and Council will provide a full schedule of fees and charges.</i>			
Action	Owner	By When	Target/Success criteria	Progress
Consistent application of principles	Chief Officer; Finance & Commercial	July 2012	All fees and charges assessed against principles and outcome shared with Cabinet.	On Going -Fees and charges assessed against the principles
Include principles within Medium term Financial Strategy (MTFS)	Chief Officer; Finance & Commercial	October 2012	Inclusion of principles within MTFS for Cabinet and Council consideration.	Completed -Included in the first draft of the Council's Medium Term Financial Strategy.
Provide full schedule of fees and charges as part of the budget process	Chief Officer; Finance & Commercial	September 2012	Schedule based on input from directorates. Schedule forms part of annual budget process.	Completed - First draft schedule completed for inclusion

Recommendation No. 2	Any new charges or any changes to existing charges in excess of inflation, should be tested and reported against the council's stated principles for setting or amending fees and charges. Over a period of time, not exceeding 18 months, <u>all existing charges</u> should be tested against the principles in order to provide a baseline for future review.			
Executive's Response	<i>The recommendation is accepted. It is the intention to review all existing charges over a period of time.</i>			
Action	Owner	By When	Target/Success criteria	Progress
All new charges or changes will be tested against principles.	Directors	As required and part of the budget	Evidence of assessment against principles with outcome held in a single document.	Guidance produced

		process.		
Existing charges to be tested against principles.	Directors	May 2013	All existing charges tested against principles and results report to Cabinet.	Guidance produced

Recommendation No. 3	The council should develop a consistent approach to engaging service users and taxpayers more in decisions about whether and at what level to charge for services. Questions should continue to be asked in consultations about services and wider engagement exercises to do with council finances. As part of this engagement, the council should describe the financial and non-financial contribution of charging, and the rationale for levels of subsidy for services to local people. The council should make this information available on its website and at service hubs and information centres.			
Executive's Response	<i>The recommendation is accepted and it is the intention to use the Root and Branch process wherever possible to challenge subsidy levels.</i>			
Action	Owner	By When	Target/Success criteria	Progress
Engage public and service users via Your Community, Your Say process.	Directors	Autumn 2012	Improved engagement and feedback about charging.	Completed- As part of the process public engaged about funding of services
Review charges to establish level of subsidy as part of the root and branch process.	Head of Corporate Finance	September 2012	Clarity about level of subsidy in existing charging levels.	Partial- Hoople being engaged to support analysis.
Greater awareness of charging through better use of website.	Digital Channels Project Manager	September 2012	Charges to be published on website and provided at customer service centres.	On hold – currently no-one in post. This will be reviewed when postholder is appointed.

Recommendation No. 4	Staff should receive the necessary training to behave in a business-like/commercial manner in developing and delivering council services			
Executive's Response	<i>The recommendation is accepted that training is a requirement; however this is a matter for the Head of paid Service to consider. A more significant requirement is to change the culture of the organisations so that it operates in a more commercial manner.</i>			
Action	Owner	By When	Target/Success criteria	Progress
Training programme for managers	Head of Commercial Services and Hoople training function.	March 2013	All service managers and above to attend training events.	<p>Commenced - A three point training and awareness programme is currently being developed and will be presented to the Leadership Academy to include:</p> <ul style="list-style-type: none"> (i) Commercial Awareness – council wide training for all stakeholders across the council – would consider this as part of the induction training programme (ii) Commercial Training – advance commercial training for all council officers that undertake commercial or procurement activities as part of their role (iii) Local Suppliers training – a series of

				“How to Tender” workshops to support local suppliers and increase opportunities to win business.
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Recommendation No. 5	The appropriate finance mechanisms and tools should be made available to enable service costs and management overheads to be apportioned and managed effectively to ensure cost recovery			
Executive's Response	<i>The recommendation is accepted. The Executive is committed to having management information that delivers greater clarity about the cost of service provision.</i>			
Action	Owner	By When	Target/Success criteria	Progress
Development of Agresso system to provide greater management information.	Head of Corporate Finance (Council) and Head of Finance (Hoople)	December 2012	Services to be costed to enable inclusion of overhead costs.	Partial - Unit 4 (Agresso) are looking at the cost of developing this option.
Best practice to be established to enable transfer of knowledge.	Head of Corporate Finance	September 2012	Engagement with other organisations to obtain information that leads to improvement.	Partial - Engagement with neighbouring councils to share practice
Presentation of information on costs to support management action.	Head of Finance (Hoople)	January 2013	Revised financial information that supports decision making. This will require a shift towards management accounting rather than financial accounting.	Partial - This has commenced through benchmarking work around costs from LG Futures

Recommendation No. 6	Benchmarking should be undertaken to learn from commercial markets exhibiting functional or capability similarities to council services.			
Executive's Response	<i>Benchmarking already plays an important part informing services how their performance compares with other local authorities. The challenge will be to find comparable external non local government bodies for benchmarking.</i>			

Action	Owner	By When	Target/Success criteria	Progress
Investigate other potential benchmarking organisations.	Head of Commercial Services	September 2012	A set of non-local government organisations that can be benchmarked against.	This has proved challenging and
Review existing benchmarking information to seek evidence of comparability	Head of Commercial Services	September 2012	Clear understanding of the current position around service performance.	Completed The council worked with LG Future sto produce comparison of unit expenditure.

Recommendation No. 7	Enabling systems and tools should be in place to minimise the implementation and running costs of service charges and to ensure appropriate information about service use and user behaviour is captured to inform future planning and service delivery.			
Executive's Response	<i>This links to subsidy of service issues. The digital channel project will assist minimise the cost of collecting charges.</i>			
Action	Owner	By When	Target/Success criteria	Progress
Ensuring that as many as possible of charges can be paid for via digital channels.	Digital Channels Project Manager	September 2012	Increased volumes of charges payable via internet.	Partial - Council currently has internet payment provision.
Review of charging process via root and branch reviews.	Lead officers for root and branch reviews	To be established	Assessment completed of cost of charging for services.	Commenced - This forms a key part of the Root and Branch process that covers all Council services. As part of the 'discovery' phase this is assessed
A review of customer information currently available and proposals for	Digital Channels Project Manager	November 2012	Information on customer segmentation and impact of charges on activity.	On hold – currently no-one in post. This will be reviewed when postholder

further data collection.				is appointed.
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Recommendation No. 8	Services should be classified to distinguish between those that are mandatory, discretionary and commercial to aid transparency and clarity for staff, councillors and the public			
Executive's Response	<i>The recommendation is accepted and the analysis of services will form part of the 2013/14 budget process. This will aid transparency as well as promoting debate about whether services should be subsidised.</i>			
Action	Owner	By When	Target/Success criteria	Progress
Provide analysis of all services against classifications.	Directors	September 2012	A comprehensive schedule of all services classified.	Completed – council has worked with LG Futures who have carried out this work within the Root and Branch framework. Senior managers have been briefed on outcome.