

<b>Subject:</b>	<b>Life Events Fees and Charges</b>		
<b>Date of Meeting:</b>	<b>24 January 2013</b>		
<b>Report of:</b>	<b>Director of Finance</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Paul Holloway</b>	<b>Tel: 292005</b>
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<b>Wards Affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 Life Events services have reviewed their fees and charges for the services and products they provide. In line with the Corporate Fees & Charges Policy, the service regularly reviews fees and charges and compares all of them with neighbouring Local Authorities who provide the same or similar services. In addition, comparisons have been made against other local private sector service providers.
- 1.2 Analysis has been undertaken to ensure costs of the provision of the services are covered, and that they fit the organisations priorities and business objectives within the corporate financial management standards.
- 1.3 Projections based on the demand for our services and the increase in fees and charges suggest combined additional income of £48k is achievable for the next financial year for the Bereavement and Registration Services.

**2. RECOMMENDATIONS:**

- 2.1 That the Policy & Resources Committee approve the fees and charges for Life Events in Appendix 1 (Bereavement Services) and Appendix 2 (Registration) and recommend them to Budget Council.

**3. RELEVANT BACKGROUND INFORMATION:**

- 3.1 Brighton & Hove City Council adopted a Corporate Fees & Charges Policy in 2008. The main aims of the policy were to ensure that:
  - Fees and charges are reviewed at least annually including consideration of potential new sources of income;
  - Fees and charges are set after comparing with 'statistical nearest neighbours' (or other relevant comparator groups) and taking into account market, legal and other contextual information;
  - Unless set by a statute, fees and charges are set to recover full costs, including central overheads and capital financing, or to a defined subsidy level agreed by the council;
  - Subsidies and concessions are not applied unless approved by members;
  - The impact on financial inclusion is considered when setting fee levels.

#### **4. LIFE EVENTS – BEREAVEMENT SERVICES and REGISTRATION SERVICES**

- 4.1 This has been a comprehensive review of fees and charges; our charges have been benchmarked with neighbouring local authorities and service providers. The exercise has been to review non- statutory fees and charges to demonstrate cost recovery, and not to generate a surplus. It is not within our power to increase statutory fees. Consultation with the Institute of Cemeteries and Crematorium Management (ICCM) for Bereavement and the General Register Office (GRO) for Registration, has previously established there is not a legal obligation to consult with members of the public about non-statutory fees, as the Local Authority should have its own policies for fee setting against the services it provides.
- 4.2 A review of non-statutory fees and charges will be carried out at least annually in the future. Service pressures indicate we need to increase fees in most cases by higher than the standard inflationary amount, and benchmarking has established the services have scope for these increases.
- 4.3 These proposals will generate additional income of £33k for Bereavement Services and £15k for the Register Office. It must however be appreciated that additional and new services for customers in both the Bereavement and Registration areas are high risk in terms of their scope for income generation, as they are untried and untested at a time when there are considerable financial uncertainties across the entire economy.

##### **Bereavement Services**

- 4.4 Until last year, fees and charges in Bereavement Services had only been increased by inflation; for 2012/13, a more comprehensive review took place. As part of a further detailed review this year, we have again benchmarked and researched the fees currently charged for similar services in neighbouring districts including Worthing, Surrey, Eastbourne and the Downs Crematorium. This review has demonstrated that BHCC Bereavement Services still has a real opportunity to increase fees and charges for quality services, whilst continuing to remaining extremely competitive with our neighbours.
- 4.5 Appendix 1 (Bereavement Services) contain details of the main changes to our fees and charges, with the new proposed fee. Appendix 3 (Bereavement Services) includes the benchmarking information, comparing the prices of our services to our neighbours, where services can be matched, like-for-like.
- 4.6 The main increases relate to Right of Burial to purchase graves and the interment (burial) fees where we have been charging less than other districts over the past years and it is proposed to align these nearer to the other districts.
- 4.7 The review has also identified new business development opportunities for Bereavement Services. A new Woodland Burial development will provide prime locations for an increasingly popular type of burial. Fees and charges for plots within the new Woodland Valley burial development will reflect the prime location,

where there are beautiful views of the downland and the sea, through the valley looking to the south.

- 4.8 All other bereavement service charges (not included within Appendix 1) will increase in line with the budget inflation assumption of 2%. The additional income from fees and charges increases, estimated as £33k, contributes to proposed savings. It must however be appreciated that additional and new services for customers in both the Bereavement and Registration areas are high risk in terms of their scope for income generation, as they are untried and untested at a time when there are considerable financial uncertainties across the entire economy.

### **Registration Services**

- 4.9 Until last year, fees and charges in Registration Services had only been increased by inflation; for 2012/13, a more comprehensive review took place. As part of a further detailed review this year, we have again benchmarked and researched the fees currently charged for similar services in neighbouring districts. Having compared our current ceremony and non-statutory fees with those of our nearest neighbouring registration districts of West Sussex and East Sussex County Council plus other neighbouring districts such as Kent County Council, Hampshire County Council and Surrey County Council, it has become apparent that there is still a real opportunity to increase fees and charges for our quality services, whilst remaining extremely competitive with our neighbours.
- 4.10 Appendix 2 (Registration) details our current fees and charges and the proposed new charges for 2013/14. Appendix 4 (Registration) includes the benchmarking information, comparing the prices of our services to our neighbours, where services can be matched, like-for-like.
- 4.11 A simplified pricing structure was agreed last year whereby fees were set for services provided Monday to Thursday, another set of fees were agreed for Fridays, and likewise another fee was agreed for Saturdays. A further higher fee for Sunday and Bank Holiday services was also approved.
- 4.12 Whilst last year's agreed changes saw a significant increase in the charge for morning ceremonies, our charges remained more competitive than East and West Sussex. Similarly, increases to fees charged on a Saturday still compared favourably to our neighbours.
- 4.13 Business development opportunities for the Registration Service were highlighted last year and have been successfully integrated into the service for customers. Again, fees and charges were demonstrably competitive against similar services provided by other Registration districts. This year gives a further opportunity to provide additional services, due to relaxation in legislation around times during the day that ceremonies can be delivered. It is envisaged that the City of Brighton & Hove will attract interest in marriage and civil partnership ceremonies that can be delivered at special times, such as midnight on New Year's Eve, or at midnight on Valentines Day. Early evening (twilight) ceremonies will also, it is envisaged, attract interest.
- 4.14 All other Registration Service charges (not included within Appendix 2) will increase in line with the budget inflation assumption of 2%. The additional

income, estimated as £15k, will contribute to proposed savings. It must however be appreciated that additional and new services for customers in both the Bereavement and Registration areas are high risk in terms of their scope for income generation, as they are untried and untested at a time when there are considerable financial uncertainties across the entire economy.

## **5 FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 5.1 The current forecast income from charges in 2012/13 is estimated at £1.19million for Bereavement Services and £0.707 million for Registration Services. Following a review of fees and charges and benchmarking with other authorities and competitors, it is proposed to increase rates for certain services above inflation as set out in Appendix 1 and 3. Based on current activity rates it is anticipated that a total £48k of additional income can be generated which will contribute towards the budget strategy, subject to agreement at Budget Council.
- 5.2 The package of proposals is aimed to cover the costs of related services, continue to achieve market share and represent an important source of funds to provide and sustain important discretionary services. There are risks within these proposals in terms of activity which will be monitored alongside income levels.

*Finance Officer consulted: Anne Silley*

*Date 11/12/12*

### Legal Implications:

- 5.3 The council's power to charge non-statutory fees for discretionary services derives from Part 8 of the Local Government Act 2003. However, this is subject to the duty to ensure that, taking one financial year with another, the income from charges for the service in question does not exceed the costs of provision.
- 5.4 The report confirms at paragraph 4.1 that the proposed fees and charges are calculated for cost recovery; the charging policy is therefore lawful.

*Lawyer consulted: Oliver Dixon*

*Date: 10/12/12*

## **6. EQUALITIES IMPLICATIONS:**

- 6.1 A full EIA will be carried out. A budget screening EIA has been completed which highlighted that no specific minority group is disproportionately affected by increased fees.

## **7. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 7.1 A benchmarking exercise has identified there is real potential for increasing our fees and charges across both the Bereavement and Registration services. Both have excellent reputations for providing high quality customer focussed services, and there is a need to maximise income generation. The exercise can be achieved whilst remaining extremely competitive with our neighbours and other service providers nearby.

7.2 It makes sense to build on the new pricing structure, agreed last year for services in both areas. The alternative of not updating fees and charges would miss out on opportunities to justifiably generate more income for services that are already recognised for their quality.

## **8. REASONS FOR REPORT RECOMMENDATIONS:**

8.1 The recommendations are justifiable and make business sense in the service areas. Our highly regarded services have the potential to generate more income. This is based on information included within the appendices to the report. It must however be appreciated that additional and new services for customers in both the Bereavement and Registration areas are high risk in terms of their scope for income generation, as they are untried and untested at a time when there are considerable financial uncertainties across the entire economy.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Bereavement Services Fees and Charges
2. Bereavement Services Benchmarking
3. Register Offices Fees and Charges
4. Register Office Benchmarking

