

Executive

18 January 2011

Report of the Assistant Director of Customer and Business Support Services
(Head of Financial Services)

Revised Income Policy

Summary

- 1 The purpose of this paper is to present to Executive for discussion and onward approval to Full Council the draft revised Income Policy. The Policy (Annex A) sets out the guiding principles to be followed by the organisation in ensuring it uses consistent and best practice principles in generating and collecting income.

Background

- 2 The council's current Income policy was approved on 1 October 2008 and forms part of the Constitutions policy framework along with the Corporate Debt Policy that was approved in December 2009. The purpose of the Policy is to provide the guiding principles to be followed by the organisation in ensuring it uses consistent and best practice principles in generating and collecting income.
- 3 The current policy has provided guidance to the council in relation to the key income principles over the past two years. However following the development of the Debt Policy there was an opportunity to align both policies to deliver a consistent and co-ordinated framework for generating and collecting income. To do this the original Income Policy required updating and reformatting into a clearer and more concise document complimenting the Debt Policy. Further to this the financial environment in which the council is now operating is very different to that of 2008 including the removal of cash payments following the introduction of allpay early in 2010 and the revised policy needed to reflect these changes.

The Policy

- 4 The purpose of the revised draft Income Policy (Annex A) is to provide a concise guidance document maintaining the key principles of the current policy but reflecting the increased payment channels available to customers and the changing financial environment in which the council is operating.

- 5 The revised policy is drafted with a formal index, clear subject headings and paragraph numbering providing concise and easy to use guidance. The revised policy should help facilitate improved consistency across all officers involved in setting, raising and collecting fees and charges at City of York Council.
- 6 The overall principle aim of the policy is to ensure that the council's fees and charges are set within a value for money framework, whereby financial, performance, access and equality are considered fully and appropriately, and decisions taken represent a transparent and balanced approach

Consultation

- 7 The draft revised Income Policy has been issued to all finance managers for consultation purposes along with other key officers across the council. In addition to this a copy of the policy has also been circulated to our key Third Sector partners for consultation purposes including:
 - Citizens advice bureau (CAB)
 - North Yorkshire Credit Union
 - Christians Against Poverty
- 8 The comments receive to date are from the CAB who are supportive of the key objectives of the policy. The main point that they have raised is in relation to ensuring that the policies objectives are reflect in the council's overall policy and strategy framework where income is involved. They are aware that this would need to be done overtime as the individual policies are reviewed.
- 9 The policy has also been through member consultation at Audit & Governance Committee on 6 December 2010. They have approved the policy for onward progress to Executive and Full Council.
- 10 The policy has been considered in a formal Equality Impact Assessment.

Options

- 11 There are only two options associated with this report:
 - a) Agree the revised Income Policy for onward approval at Full Council;
 - b) Retain the existing Income Policy.

Analysis

12 Not applicable to this report.

Corporate priorities

13 The implementation of effective Income Policy is critical in contributing to the delivery of an 'Effective Organisation' and helps to underpin and support all priorities that form the Corporate Strategy.

Implications

- (a) **Financial** – There are no direct financial implications associated with approving the policy.
- (b) **Human Resources (HR)** - There are no implications.
- (c) **Equalities** – The policy has been out for consultation with our third sector partners, Officers, Members and has an EIA (Para 7 – 10).
- (d) **Legal** - There are no implications.
- (e) **Crime and Disorder** - There are no implications.
- (f) **Information Technology (IT)** - There are no implications.
- (g) **Property** - There are no direct implications.

Risk Management

14 The organisation can expose its self to the risk of not maximising its income and collection if it does not have an effective and appropriate Income Policy that provides for proper principles and guidance to ensure value for money income arrangements. Losing income would be a critical risk to the council however there are no high or critical risks associated with approving the policy

Recommendations

- 15 Executive members are asked to:
- a) comment on the format and content of the revised Income Policy attached to this report at Annex A and recommend that it is sent for onward approval at Full Council.

Reason

To seek Executive members' views as to whether the draft Income Policy provides appropriate guidance in delivering value for money income arrangements across the organisation.

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Chief Officer Responsible for the report:

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(Head of Financial Services)

Report
Approved



Date 30/12/2010

Specialist Implications Officer(s)

Wards Affected Not applicable

All

For further information please contact the author of the report

Background Papers

Draft revised Income Policy A&G 6 December 2010

Annexes

Annex A – Draft revised Income Policy