

# PWYLLGOR ARCHWILIO

## 6<sup>ed</sup> O IONAWR 2017

### Astudiaeth Llywodraeth Leol Swyddfa Archwilio Cymru: Trefniadau awdurdodau lleol i godi tâl am wasanaethau a chynhyrchu incwm

#### Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

- Bod y Pwyllgor yn derbyn adroddiad Astudiaeth Llywodraeth Leol Swyddfa Archwilio Cymru a ddisgrifir uchod.

#### Rhesymau:

- Mae Swyddfa Archwilio Cymru yn cyflawni gwaith archwilio ariannol a pherfformiad yn y Cyngor. Mae'r adroddiad yma yn cynnwys y casgliadau a luniwyd ynghylch dynesiad a threfniadau Awdurdodau Lleol Cymreig ar gyfer codi tâl am wasanaethau a chynhyrchu incwm (cyhoeddwyd yn Tachwedd 2016).

**Ymgynghorwyd â'r pwyllgor craffu perthnasol:** AMHERTHNASOL  
**Angen i'r Bwrdd Gweithredol wneud penderfyniad:** NAC OES  
**Angen i'r Cyngor wneud penderfyniad:** NAC OES

**Aelod y Bwrdd Gweithredol sy'n gyfrifol am y Portffolio:**  
Cyng. David Jenkins (Adnoddau)

<b>Y Gyfarwyddiaeth:</b> Gwasanaethau Corfforaethol  <b>Enw Pennaeth y Gwasanaeth:</b> Owen Bowen  <b>Awdur yr adroddiad:</b> Owen Bowen	<b>Swydd:</b>  Pennaeth Gwasanaethau Cyllidol	<b>Rhif Ffôn / Cyfeiriad E-bost:</b>  01267 224886 <a href="mailto:obowen@sirgar.gov.uk">obowen@sirgar.gov.uk</a>
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## EXECUTIVE SUMMARY

# AUDIT COMMITTEE

## 6<sup>th</sup> JANUARY 2017

### Wales Audit Office Local Government Study: Charging for services and generating income by local authorities

During 2015/16, the Auditor General examined how local authorities use their powers to introduce and increase charges on services, how performance on generating income has changed in recent years, and how the process of consulting with users, and assessing the impact of charging decisions on users, is managed.

Based on the findings of this audit, the Auditor General has concluded that despite raising more money from charging, authorities are not pursuing all options to generate income because of weaknesses in their policies and in how they use data and information to support decision-making.

#### Background to the study

The key study question was: ***Have councils established effective systems to consider and approve whether and how they should introduce or increase charges for their services?***

Councils in Wales have the legal powers to charge for a wide range of the services they provide, and to control how much they charge for these services. This gives them the ability to raise income at a local level. The services that fall under local control for charges range from leisure and home care to parking and school meals.

Councils in Wales have experienced a £155 million (3.8 per cent) real-terms reduction in their revenue funding from the Welsh Government in 2011-12. Funding levels are continuing to decline with revenue funding from the Welsh Government approximately £283 million (seven per cent) lower in 2013-14 than 2010-11. In October 2013, the Welsh Government announced reductions in core funding of £175 million for 2014-15 and a further £65 million in 2015-16. By the end of 2016, the Welsh Local Government Association expects the local government shortfall will be in the region of £460 million<sup>1</sup>. The study will look at how councils use their powers to introduce and increase charges on services, how the income generated contributes to overall budgets and how the process of consulting with users and assessing the impact on users is strategically managed.

DETAILED REPORT ATTACHED?	YES
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## IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report.

**Signed: Owen Bowen      Head of Financial Services**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

## CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

**Signed: Owen Bowen      Head of Financial Services**

- 1. Scrutiny Committee – N/A**
- 2. Local Member(s) – N/A**
- 3. Community / Town Council – N/A**
- 4. Relevant Partners – N/A**
- 5. Staff Side Representatives and other Organisations – N/A**

**Section 100D Local Government Act, 1972 – Access to Information  
List of Background Papers used in the preparation of this report:**

**THESE ARE DETAILED BELOW:**

Title of Document	File Ref No. / Locations that the papers are available for public inspection
Charging for services and generating income by local authorities – Wales Audit Office (10th November 2016)	<p><b>Cymraeg</b>  <a href="https://www.wao.gov.uk/cy/cyhoeddi/trefniadau-awdurdodau-lleol-i-godi-t%C3%A2l-am-wasanaethau-chynhyrchu-incwm">https://www.wao.gov.uk/cy/cyhoeddi/trefniadau-awdurdodau-lleol-i-godi-t%C3%A2l-am-wasanaethau-chynhyrchu-incwm</a></p> <p><b>English</b>  <a href="https://www.wao.gov.uk/publication/charging-services-and-generating-income-local-authorities">https://www.wao.gov.uk/publication/charging-services-and-generating-income-local-authorities</a></p>