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may be more appropriate to reduce fees and charges to gain a greater share of the market.

3 Process

The process for setting fees and charges will consist of the following steps.

As a minimum each portfolio service area will undertake the process on an annual basis.

Step 1

In conjunction with the budget planning cycle, service areas will be required to review current levels of fees and charges for all chargeable services.

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proposals for adjusting fees and charges and introducing any new charges for the next financial year.

The Income Statement should demonstrate how the service has taken into account the following checklist of important areas for consideration:

- x Intelligence on the nature and elasticity of demand;

Proposals for income targets for future financial years should also be included. These targets should include income generated from statutory fees and charges.

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Board and, if approved, will be enacted by services.

Income targets should be passed to Corporate Finance, agreed and factored into the final budget setting process/Medium Term Financial Strategy.

Step 4

The service areas should put in place arrangements to communicate clearly any changes in fees and charges to service users.

In order to do this the Board will:

- x Collect the information available on subsidies provided for chargeable services from Income Statements.
- x Ask Finance staff to map the overall financial consequences of current V X E V L G L H V I R U W K H & R X Q F L O ¶ V
- x Assess the information provided by service areas and consider the financial FR Q V H T X H Q F H V I R U W K H & R X Q F L O ¶ V E X G J H W V X E P L W W presumption will be that all concessions need to be justified, and the financial implications of the concession for the wider service budget must be made clear.
- x As part of this process the Board should compare the need for and cost of subsidies that exist in different services. To do this the Board should rate the chargeable services prioritising who should pay for the service by asking the following questions:
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