



East  
Northamptonshire  
Council

## Finance Sub-Committee – 22 June 2015

### Fees and Charges for Reprographic Services

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#### Purpose of report

This report seeks approval of an amendment to the fees and charges levied by Reprographic Services (the Print Room) to external customers.

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#### 1.0 Background

- 1.1 An internal review of printing has been underway for a number of months to identify the most efficient and effective way of supporting the needs of the council in the coming years. This review has also analysed the work undertaken by the Print Room on behalf of external customers and the charges levied.
- 1.2 The Print Room currently receives requests for print services from a variety of organisations ranging from other principal authorities (like Northamptonshire County Council or the Borough Council of Wellingborough) to community groups or individuals for smaller, bespoke publications.
- 1.3 Members will be aware that the current Fees and Charges levied by the council in 2015-16 provides for charges for certain copy documentation depending on the size of the sheet used for printing. There is also provision for design work undertaken on behalf of town and parish councils to be provided with a charge of £30 per hour plus VAT, with a quote being provided before any printing is undertaken. There is currently no provision within the Fees and Charges schedule to levy a charge for work undertaken on behalf of other public sector organisations, community groups or individuals.
- 1.4 This report recommends the introduction of a revised charging schedule to ensure compliance with the fees and charges order and to provide clarity to those organisations and individuals that invite the Print Room to quote for work in future

#### 2.0 Assumptions for Future Charging Model

- 2.1 The council is empowered to charge customers for discretionary services under section 93 of the Local Government Act 2003; however, it also limits the charge to the recovery of costs incurred. It is possible for local authorities to generate profit from printing activity. However, the focus of this report is to ensure that an adequate levy is charged to recover costs. A future report will provide detail on the viability of generating profit from reprographic services upon the completion of the internal review of printing.
- 2.2 With the focus on cost recovery, the recommended charge is based on recurring costs, but it also ensure that all costs are included, such as processing time, overheads and management time.
- 2.3 It is suggested that the following principles form the basis of the future charging schedule for the provision of printing services to external organisations and individuals:-
  - All costs incurred should be recharged to external organisations
  - Fees and charges automatically increase in line with costs (such as staff costs, pensions, overheads and consumables such as paper) on an annual basis

- A fixed fee of one hour's cost be charged as a minimum to cover administration, which would include the cost of creating a quote, raising an invoice and processing the fee.

2.4 Application of these principles would result in a minimum fixed fee of £57.18 per hour for any print service provided to an external organisation or individual. In the event of this proposal being agreed, all current customers would be contacted to explain the change. It should be noted that there are no contracts or service level agreements in respect of the provision of printing services between the council and any customer at the present time.

### **3.0 Equality and Diversity Implications**

3.1 An equality impact assessment has been undertaken and a neutral impact has been identified.

### **4.0 Legal Implications**

4.1 As set out in paragraph 2.1, the council is not legally empowered to make a direct profit and the proposal is legally sound in this regard.

### **5.0 Risk Management**

5.1 There are no major risks associated with this proposal. However, if the proposal is implemented, it is possible that some current customers may choose not to use the service provided by the Print Room if they can source a better deal from another organisation or company. It is likely to be a greater risk to the effective management of the council and its finances not to implement a charging policy that adequately recovers costs incurred for the provision of printing services to external organisations and individuals.

### **6.0 Resource and Financial Implications**

6.1 The focus of this report is to ensure that the council recovers the costs it incurs in the provision of printing services to external organisations and individuals. The proposal is designed to ensure that this has a positive impact in ensuring that all costs are recovered and provides clarity to existing and potential customers. A future report providing an analysis of the future printing requirements of the council's services will be submitted to Members in due course which will fully detail the ongoing financial and resource implications for printing at ENC.

### **7.0 Constitutional Implications**

7.1 This proposal requires recommendation from the Sub-Committee through its parent body, the Policy and Resources Committee, to the council to amend the Fees and Charges for 2015-16.

### **8.0 Corporate Outcomes**

8.1 This proposal predominantly impacts on the corporate outcome of effective management by ensuring that the council recovers costs incurred in respect of printing services provided to external organisations and individuals.

### **9.0 Recommendation**

9.1 The Sub-Committee is recommended to resolve to recommend that:  
(i) the Fees and Charges for 2015-16 be amended to include the insertion of a fixed fee for the provision of printing services to be levied to all external customers; and

- (ii) the minimum fixed fee be set at £57.18, the equivalent of one hour's cost, and automatically increased annually in line with cost increases incurred in the delivery of printing services.

*(Reason – to ensure that the Fees and Charges levied by the council fully recover the costs incurred in the delivery of printing services.)*

<b>Legal</b>	Power: Local Government Act 2003				
	Other considerations:				
<b>Background Papers:</b>					
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<b>Date: 4 June 2015</b>					
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