

Foreword

Income from fees and charges is a key financial area for local authorities, and much has happened since CIPFA published the last edition of this guide in 2015.

In 2019, local authorities will look at income in its widest sense as a key factor in their funding equation. Financial uncertainties continue to motivate local authorities to evaluate every possible funding source.

In 2019 Brexit has dominated politics. In April 2019 the EU granted a flexible extension to October 2019 for the UK to leave. Local authorities have been busy analysing the potential impact of different scenarios on their financial position. The impacts could range from a general economic downturn to loss of property values in development schemes. Recently there has been publicity about councils borrowing from the PWLB in order to make income-generating investments. The PWLB has clarified that the purpose of its lending is for service capital expenditure. CIPFA has revised its Treasury Management Code accordingly, and new MHCLG statutory guidance on investments has ensured there is greater transparency in this area.

It should also be noted that increasingly authorities are delivering services through special purpose vehicles. Some of the reasons for doing so are increased commercial freedom and being able to escape the controls on direct local authority charges.

This 2019 income guide should enable local authorities to make the most of their fees and charges potential. It provides a full update of the charging opportunities available as at April 2019, reflecting recent legislation and regulations. It deals with the position in England primarily, but the same principles apply to authorities in Wales, Scotland and Northern Ireland.

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