

11. Fees and Charges

Purpose of Report

1. To consider options for charging for special services.
-

Recommendation

The Treasurer asks the Committee to consider options for charging for special services and to make a recommendation to the FRA in respect of a charging policy for the following:

- a) ***Large Animal Rescues***
- b) ***All rescues from lifts or only after the first rescue in any year***
- c) ***Assistance to the Environment Agency***

Background

2. The Fire and Rescue Services Act 2004 makes provision for an FRA to charge for certain services.
3. The Act does not permit an FRA to make charges in respect of:
 - Attendance at Fires
 - Attendance at Road Traffic accidents
 - Attendance to alarms that prove to be false
 - Provision of emergency medical assistance
 - Provision of fire safety advice
4. The Act does, however, permit charges to be made for other Special Services, and it is to these which attention is given.

Special Services Charges

5. The FRA has a published scale of charges for Special Services including provision of equipment, but historically does not receive much income from this source, (£6,500 in total over the last 8 years).
6. There are 3 principal areas where sums of income could be identified, although some of these may have the longer term effect of reducing activity and thus needing a further review of any income budget that is set.
7. The main areas for consideration are:
 - Large Animal Rescues
 - Lift Rescues
 - Assistance to the Environment Agencyand these will be considered in turn:
8. In the case of Animal and Lift Rescues the FRA last considered charging policies when the financial climate was different and decided at that time that charges were not appropriate.

Large Animal Rescues

9. Although there are not huge numbers of large animal rescues (approx 35 per year) and about half occur in Wholetime or Day Crew station areas, individual rescues can cost up to £2,000 in actual or opportunity cost.
10. It should, however, be recognised that the owner may be able to claim recovery costs against their insurance policies (or the value of the loss if not rescued), and it is estimated that introduction of charging might give an average annual figure of around £17,500, (assuming an average cost of £500 and no reduction in calls). However a 1/3 drop in calls (or an inability to recover costs – see below) could reduce this potential to £12,000, with a consequential reduction in costs.
11. Introduction of such a charge may have 2 non-financial implications:
 - The difficulty of identifying the owner to agree to a charge in a timescale relevant to the rescue.
 - The costs of invoice recovery (since the demise of the Extinguisher Maintenance contracts the Debtors' team in the finance dept has been minimised).
 - Pressure on operational crews to rescue animals in distress if the owner refuses to pay a charge.

Lift Rescues

12. On average the Service performs 90 lift rescues a year and contrary to the information given when the FRA last considered these matters they are now not focused on a small number of properties. In 2009/10 rescues were made at 62 addresses.
13. Based on an average charge the potential income from lift rescues could be:
 - Charging for all rescues - £14,000
 - Making no charge for first occasion within any one year - £4,000
14. It is not suggested that the Service would not respond to all calls for assistance but that a charge would be made to the owner/occupier, which should encourage better lift maintenance regimes.

Assistance to the Environment Agency

15. This is an area of missed opportunity that has been exploited by many FRAs and relates to support given to the Agency after the completion of the Emergency phase of any operation, and usually relates to clear up of pollutants.
16. Clear up costs incurred by the Environment Agency are recoverable by the Agency from the polluter and many FRAs have in places protocols for FRA costs to be invoiced to the Agency for onward recovery.
17. Unfortunately as H&W does not have this policy in place the relevant information to quantify the amount of income is not readily available. However, taking into account information from comparable authorities a figure of £20-30,000 per year is feasible.

Conclusion

18. It is possible that implementation of a charging regime for large animals and lift rescues could generate between £16,000 and £32,000 and would demonstrate that in the current financial climate the FRA is considering all income and cost opportunities.
19. At this stage it is not possible to quantify the exact level of income from Environment Agency charges, but Officers would recommend that this policy is adopted, with the expectation of income in the range £20,000 - £30,000.

Financial Considerations

Consideration	Yes/No	Reference in Report i.e. paragraph no.
There are financial issues that require consideration	Y	Throughout Report

Legal Considerations

Consideration	Yes/No	Reference in Report i.e. paragraph no.
There are legal issues e.g. contractual and procurement, reputational issues that require consideration	Y	Throughout Report

Additional Considerations

20. The table below sets out any additional issues arising from the proposals contained in this report and identifies the relevant paragraphs in the report where such issues are addressed.

Consideration	Yes/No	Reference in Report i.e. paragraph no.
Resources (e.g. Assets, ICT, Human Resources, Training & Development, Sustainability).	Y	11
Strategic Policy Links (e.g. IRMP, Authority Plan, Equality & Diversity, Partnerships, Environmental Impact).	N	
Risk Management / Health & Safety (e.g. risk management and control measures, risk register score).	N	
Consultation with Representative Bodies	N	

Supporting Information

None

Background Papers

None

Contact Officer

Martin Reohorn, Director of Finance
(0845 12 24454)
Email: mreohorn@hwfire.org.uk