

Cabinet

Excerpt of the minutes of the meeting held on Thursday 4 November 2021 in the Town Hall, Royal Leamington Spa at 6.00 pm.

Present: Councillors Day (Leader), Bartlett, Cooke, Falp, Grainger, Hales and Rhead.

Also Present: Councillors: Boad (Liberal Democrat Group Observer), Davison, (Green Group Observer), Cullinan (Labour Group Observer), Milton (Chair of Overview & Scrutiny Committee) and Nicholls (Chair of Finance & Audit Scrutiny Committee and Labour Group Observer)

57. **Declarations of Interest**

There were no declarations of interest made.

Part 1

(Items upon which a decision by the Council was required)

60. **Fees and Charges 2022/23**

The Cabinet considered a report from Finance which detailed the proposals for discretionary Fees and Charges in respect of the 2022 calendar year. It also showed the latest Fees and Charges 2021/22 income budgets, initial 2022/23 budgets and the actual out-turn for 2020/21.

The Council was required to update its Fees and Charges in order that the impact of any changes could be fed into the setting of the budget for 2022/23. Discretionary Fees and Charges for the forthcoming calendar year had to be approved by Council.

In the current financial climate, and with the impact of COVID-19 still being felt throughout the Council and its services, it was important that the Council carefully monitored its income, eliminated deficits on service specific provisions where possible and minimised the forecast future General Fund revenue deficit.

In accordance with the Financial Strategy and Code of Financial Practice it was appropriate to consider certain other factors when deciding what the Council's Fees and Charges should be:

- The impact of the Fees and Charges levels on the Council's Business Plan.
- The level of prices the market could bear including comparisons with neighbouring and other local authorities.
- The level of prices needed to be sufficient to recover the cost of the service and the impact on Council Finances, where this was not the case.
- The impact of prices on level of usage.
- The impact on the Council's future financial projections.
- Ensuring that fees, in particular those relating to licensing, reflected the current legislation. The regulatory manager had to ensure that

the fees charged should only reflect the amount of officer time and associated costs needed to administer them.

- Whether a service was subject to competition from the private sector, such as Building Control. This service had to ensure that charges set remained competitive within the market.
- Income generated from services including Building control, land charges and licensing was excluded from the Medium Term Financial Strategy and was managed through ring-fenced accounts, due to the legislation and criteria under which they operated.
- Management of the Council's Leisure Centres was by Everyone Active. The contract definition stated that 'The Contractor shall review the core products and prices in September of each year and submit any proposed changes to the Authority for approval (the "Fees and Charges Report")'. Appendix C outlined the core fees.

Managers were challenged on ensuring income maximisation and cost recovery where appropriate and provided commentary on the rationale behind some of the charges highlighted below.

Within the savings proposals agreed by Council in December 2020, a target of 15% was agreed in respect of additional income generated from discretionary fees and charges. Consequently, Budget Managers were tasked with seeking to achieve this increase, with the exception for some fees and charges, where legislation and other factors might make it unviable. These were set in accordance with such legislation and service knowledge provided by the managers. This was intended to make a contribution towards the savings that the Council needed to make in its overall Financial Strategy, with the timeline for making significant savings being significantly reduced due to the impact of COVID-19.

As a result of this, the fees and charges outlined in Appendix A to the report presented an overall forecast increase in income of £828,000, or 13.8%. Amounts totalling £398,800 were already factored into the MTFS (£153,800 inflation uplift and £245,000 as per service initiatives programme), with the additional income to be incorporated into the Medium Term Financial Strategy totalling £429,200. This excluded the additional income from certain ring-fenced charges (Building Control, Licensing and Land Charges).

Appendix A to the report also outlined an increase in income within the Housing Revenue Account of £117,000, or 26.6%. This would be factored into the HRA budgets and Business Plan.

The revenue effects of the proposed Fees and Charges were summarised in the following table (ring fenced accounts were removed):

General Fund Services	Actual 2020/21 £ '000	Original Budget 2021/22 £ '000	Forecast 2021/22 £ '000	Forecast 2022/23 £ '000	Change Original 2021/22 - 2022/23 %
ICT	35	30	20	45	50%
Culture	57	229	229	246	7.1%
Place & Economy Development	233	287	262	309	8%
Comm. Protection	50	72	71	82	14%
Housing	18	27	27	31	15.7%
Environment & Ops	33	23	26	28	18%
	3,350	5,342	5,488	6,098	14.1%
Total General Fund Services	3,776	6,010	6,122	6,838	13.8%
Housing Revenue Account	415	440	537	557	26.6%

A breakdown of the key drivers of the 2022/23 Fees and Charges was provided in Appendix B to the report.

Increased income from Fees and Charges would seek to ensure where possible the costs of the provision of respective services were covered. Any increases would reduce the ongoing savings target within the Financial Strategy.

The current forecasts for 2021/22 and 2022/23 would be reviewed within both the Base Budget Report (December) and Budget setting Report (February 2022). Managers would also continue to review their projections on a monthly basis.

The recommendations would enable the Council to continue to offer and deliver services while reducing and eliminating deficits on specific service provisions, supporting the overall financial position of the Council going forward.

In terms of alternative options, the Council could either leave fees and charges at 2021 levels or increase at a reduced level. This would increase the savings to be found over the next five years unless additional activity could be generated to offset this.

Another alternative option would be to increase at a level higher than proposed in the report. Excessive increases could deter usage where the take up is discretionary. Customers might choose to use the service less frequently or use an alternative supplier where one is available.

Both of the above were not realistic options given the current position of the Financial Strategy, and the level of savings required.

Public speaker, Mr Gill, addressed the meeting on this item. He raised concern about the proposed increase in fees for the use of community rooms such as those on Charles Gardner Road. This was because the Groups which use the rooms were often small in number and also less wealthy. In some instances, they were used by groups who were normally harder to engage with as a community and provided important community

facility and links. Therefore, to introduce these increases would have a disproportionate affect to other charges with the proposals.

The Finance and Audit Scrutiny Committee supported the recommendations in the report.

Councillor Hales acknowledged that 15% might be a large increase but pointed out that this decision would come to Council for debate. He then proposed the report as laid out.

Recommended to Council that

- (1) the Fees and Charges proposals set out in Appendix A to the report operate from 3 January 2022 unless stated otherwise, be agreed; and
- (2) provided the changes proposed by Everyone Active to the core products and prices from January 2022 are within the September RPI, the Heads of Culture and Finance, in consultation with the relevant Portfolio Holders (Cllrs Bartlett and Hales), can accept the changes.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,194

61. **Adoption of revised Enforcement Policy and Business Charter**

The Cabinet considered a report from Health and Community Protection which sought the Council's adoption of the revised joint Warwick District and Stratford-on-Avon District Council (SDC) Enforcement Policy and Business Charter covering a range of the two Council's regulatory services.

The Enforcement Policy was reviewed and updated to reflect a joint policy across the two Councils, with the inclusions of additional regulators and changes to enforcement powers.

The Warwick District Council policy was last reviewed in 2018.

The main changes were:

- Inclusion of additional enforcement areas within the scope of the policy. Namely: parking.
- Inclusion of an SDC Development Service appendix to the enforcement policy.
- Updates to legislation and governing guidance for relevant enforcement activities.
- Updated wording to provide additional clarity and understanding.

The Business Charter was reviewed and updated to reflect a joint business charter across the two Councils and the support organisations which represented our businesses.

The Warwick District Council Charter was last reviewed in 2018 and was being introduced for Stratford-on-Avon District Council.

The main changes were:

- Updated wording to provide additional clarity and understanding.
- Inclusion of Stratford District Council contact details.

The Department for Business, Innovation & Skills introduced the Regulators' Code which came into force on 6 April 2014. Its aim was to provide a regulatory framework that supported compliance and growth while enabling resources to be focussed where they were most needed. It set out a framework for proportionate and accountable regulatory delivery and established principles of how local authorities should engage with businesses to avoid imposing unnecessary regulatory burdens.

Business Support Organisations were consulted regarding the policy and charter. These included:

- Landlords Groups;
- Chamber of Commerce; and
- Federation of Small Businesses

All comments received from the organisations were given due consideration and incorporated into the Policy and Charter as appropriate. Those comments which were better suited for inclusion in other relevant documents or upon the website were forwarded for consideration in those publication reviews.

As this was a statutory duty, the Council needed to adopt an effective enforcement policy.

Alternative content could have been considered. However, the proposed version reflected the Government's recommended approach. There was no requirement to produce a single Council-wide policy and Members could prefer service-specific policies rather than the associated appendix to the report, which outlined variations of specific powers which were not detailed within the corporate Enforcement Policy.

There was no requirement to have a Business Charter and therefore Councillors could have chosen not to adopt the Charter. However, the content of the Charter reflected the Better Business for All agenda which sought to ensure that businesses were supported by regulators and a level playing field was established.

WDC had a Business Charter in place since 2018 and received only positive feedback in relation to the balanced approach of the Charter and Enforcement Policy.

Councillor Falp stated that the Policy had worked well over the last few years and she proposed the report as laid out.

Recommended to Council that

- (1) the revised Enforcement Policy and its associated appendices as set out in Appendix 1 to the report be adopted; and
- (2) the Business Charter as set out in Appendix 2 to the report, be adopted.

The Portfolio Holder for this item was Councillor Falp)
Forward Plan Reference 1,242

(The meeting ended at 7.12pm)

CHAIRMAN

9 December 2021