

## Appendix 4 – Minutes from Overview and Scrutiny Committees

Children's Services Overview and Scrutiny Committee held on 15 June 2023 at 7.00 pm

### **Fees and Charges Review 2023/24**

The Chair agreed to hear item 9 next.

The Interim Chief Financial Officer introduced the report and commented that the Council needs to do what it can to put it back into a sustainable financial position. The Council has begun a three-part review of fees and charges. The first stage is to examine benchmarking and some price reviews. In the second stage there will be further price reviews. The third stage will be a longer-term piece of work which normally takes around 2-3 years and this will look at the profitability of all services and that the Council is actually charging what it can charge for. The recommended price reviews are contained within the appendix to the report.

During the discussion the following was acknowledged/ confirmed / highlighted:

- The Vice-Chair commented that she did not find it acceptable to raise fees and charges twice in the same financial year and for the raises to be above inflation
- The Vice-Chair noted in the Equality Impact Assessment the charges will negatively affect children and young people in the borough and they are not responsible in any way for the financial situation the Council finds itself in.
- The Council's financial position is extremely challenging, there is a need to reduce expenditure and increase income. The Commissioners have specifically requested that fees and charges are reviewed. An exercise has been completed where they have looked at whether in the previous 5 years fees and charges have kept pace with inflation. If a charge hasn't been increased in the last 4 years, it will see a much larger increase in its 5<sup>th</sup> year. Councils cannot make a profit but they can fully recover their costs.
- The Vice-Chair noted the negative impacts in relation to Grangewaters recorded in the equality impact assessment and that the increase in charges is still being proposed
- Market testing has been completed in relation to Grangewaters and a central Government funded Holiday Activity Programme is available for vulnerable children to ensure they have access to similar activities. There are also other programmes for children with Special Educational Needs. Work is also being completed to identify external funding and officers are always looking at ways to generate income on the Grangewaters site.
- The Assistant Director for Education invited the Committee to put forward any suggestions they may have on how to generate income from the site and involve businesses. The Chair suggested the site could be used for advertising space.

Councillor Muldowney, Councillor Green and Councillor Panjala did not agree to recommendation 1.1 and the commitment to full cost recovery and annual CPI

inflation increases as the default. Councillor Muldowney also commented that although it is not a recommendation that the Committee is being asked to agree the changes to the fees and charges being proposed, she wanted it noted that she does not agree to them. Councillor Green and Councillor Panjala agreed with Councillor Muldowney's comments. The Chair, Councillor Pearce and Councillor Abbas agreed with recommendation 1.1

All Committee members agreed with recommendations 1.2, 1.3 and 1.4.

**ACTION 2:** Councillor Muldowney requested a more detailed breakdown of the working out to explain the percentage increases in fees and charges proposed.

**RESOLVED:**

- 1.1 That Children's Overview and Scrutiny Committee note the proposed Fees and Charges policy, Appendix 1, in particular agreeing the commitment to full cost recovery and annual CPI inflation increases as the default.**
- 1.2 That Children's Overview and Scrutiny Committee note the proposed Fees and Charges increases for the material areas, Appendix 2.**
- 1.3 That Children's Overview and Scrutiny Committee note the proposed new Charges in section 8 of this report.**
- 1.4 That Children's Overview and Scrutiny Committee note the requirement for a further detailed review & analysis of remaining Fees and Charges by Quarter 4 2023/24.**

Cleaner, Greener and Safer Overview and Scrutiny Committee held on 13 June 2023 at 7.00 pm

**Fees and Charges Review 2023/24**

The Interim Chief Financial officer explained that the Fees and Charges report will be going to Cabinet next month and will report on the comments made by the Overview and Scrutiny Committees. In the budget report in March of this year the Commissioners commented that further financial work was needed to improve sustainability of the Council and a full review of fees and charges would need to be completed by the end of quarter 1. The Council has begun a three-part review of fees and charges. The first stage is to examine benchmarking and some price reviews. In the second stage there will be further price reviews. The third stage will be a longer-term piece of work which normally takes around 2-3 years and this will look at the profitability of all services and that the Council is actually charging what it can charge for. The policy recommends full cost recovery.

Following the update from the Chief Financial Officer, members were invited to ask questions. Key points raised included:

- The Committee raised the impact it could have on residents who have already had a 10% rise in Council Tax and charges increased from the 1<sup>st</sup> April 2023. The report talks about full cost recovery however the full cost of services and outturn over the last 3 years would have given a clearer picture as due to covid some of that period has not been real.
- The Chair noted that staffing costs also come under full cost recovery and commented on some of the high salaries and fees paid to consultants over recent years and queried why residents should be paying for this where consultants haven't done an effective and value-for-money role.
- The Chair raised that the 14% rise in charges at Thameside could force it to close. It was clarified that the Thameside prices have not increased in line with inflation over the last 5 years.
- The increase in charges is to get the Council in a sustainable financial position to allow it to deliver services in the future.
- The CPI was taken at the point in time as it does fluctuate.
- The Chair requested for a pay journey to be considered over a period of time for charges where the increase is a particularly high percentage
- The Chair raised that more should be done with enforcement as there is a lack of consequences for unacceptable behaviour
- The Chair requested for a pay journey to be considered over a period of time for charges where the increase is a particularly high percentage

Councillor Anderson commented that although he is not happy with some of these increases, especially charging people to park outside their homes through the use of

permits however, he understands why the Council is adopting this policy and confirmed that he will be voting in favour of the recommendations tonight.

The Chair highlighted that she would like the Committee's comments on full cost recovery, profitability and looking at CPI going forward not just taking April's CPI as it is normally higher to be taken into account by Cabinet.

**RESOLVED:**

- 1.1 That Cleaner, Greener and Safer Overview and Scrutiny Committee note the proposed Fees and Charges policy, Appendix 1, in particular agreeing the commitment to full cost recovery and annual CPI inflation increases as the default.**
- 1.2 That Cleaner, Greener and Safer Overview and Scrutiny Committee note the proposed Fees and Charges increases for the material areas, Appendix 2.**
- 1.3 That Cleaner, Greener and Safer Overview and Scrutiny Committee note the proposed new Charges in section 8 of this report.**
- 1.4 That Cleaner, Greener and Safer Overview and Scrutiny Committee note the requirement for a further detailed review & analysis of remaining Fees and Charges by Quarter 4 2023/24.**

Feedback from the Planning, Transportation and Regeneration Overview and Scrutiny Committee (scheduled for 4 July 2023) and the Corporate Overview and Scrutiny Committee (scheduled for 11 July 2023) will be provided to Cabinet as soon as practicable.