

THE VALE OF GLAMORGAN COUNCIL

CABINET: 11TH JANUARY, 2024

REFERENCE FROM ENVIRONMENT AND REGENERATION SCRUTINY
COMMITTEE: 12TH DECEMBER, 2023

“REFRESH OF MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2028/29
(REF) –

The reference from Cabinet of 16th November, 2023 as contained within the agenda was presented.

Councillor M. Hooper asked a general query regarding cost pressures and when would the Council need to consider the sort of activities and services that it provided. Councillor Hooper also referred to opportunities in relation to invest to save and he queried whether the Council had considered the introduction of a Tourism Levy and whether any regard had been given to introducing fees for residential parking permits. In reply, the Operational Manager – Accountancy, stated that in relation to a zero-based budget the key issue was in relation to the resources required to carry out the impact of undertaking a full zero-based budgeting exercise. However, it had been recognised that the Council would need to consider zero-based budgeting exercises for the more transformational proposals in order to achieve a balanced budget. There would also be some opportunities where the Council sought cost recovery. In terms of a Tourism Levy, the Operational Manager confirmed that there were no such proposals at present and in relation to residential parking permits, there was a proposal as part of the savings programme. Regarding the points relating to a Tourism Levy, the Director of Place advised Members that Welsh Government had consulted on Tourism Tax powers, but these had yet to be introduced so the Council was at present unable to bring in a levy even if it wanted to. This would be a political decision for the future.

Councillor A. Ernest commented on the proposal to increase the Council charge for void properties. He also referred to increase in fees and charges which he felt were “self-defeating” and would impact on the level of sports participation, and he was also concerned that events had posted a loss. Finally, Councillor Ernest commented on the budget shortfall for the staff pay award, which would likely result in a significant increase in Council Tax. In reply, the Operational Manager stated that in relation to void properties, there were specific policy reasons for charging a premium in order to try and bring back in to use some of the empty properties in the Vale and to help with the demand for housing. In addition, the charge would also raise an income stream to assist the Council to meet some of the needs for housing. With regards to fees and charges, the Council’s proposal was to increase prices by the Consumer Price Index (CPI) where possible. There were some areas where the increases would likely be below CPI, with one area being youth sport. Most fees and charges related to discretionary services and the Council’s aim was to achieve cost

recovery which would enable services to continue within the difficult financial climate. Around events, the Operational Manager advised that historically the Council had funded base contributions from a specific reserve, but that reserve had been completely used up during the previous financial year, so the Council was looking to create a base budget as well as undertaking feasibility work in relation to sponsorships or separate funding streams to assist.

The Chair stated that she was sure that the Scrutiny Committee would support the commitment to ensure services to the most vulnerable residents were maintained and that the Committee's support would be relayed to Cabinet. The Chair also wished to highlight that as the Council was facing significant challenges in terms of its budget position, that it was important for the Council to emphasise to the public during consultation exercises to set out the financial challenges within the reality of the economic pressures that the Council was facing in order to ensure that the public expectations were managed. The Chair's recommendations were agreed by the Scrutiny Committee.

Subsequently, it was

RECOMMENDED –

(1) T H A T the Environment and Regeneration Scrutiny Committee supports the commitment to ensure services to the most vulnerable residents are maintained and for this to be relayed to Cabinet.

(2) T H A T Cabinet be also advised of the view of the Environment and Regeneration Scrutiny Committee that as the Council was facing some significant challenges in the terms of the budget position, that it was important that the Council emphasised the need to ensure that public consultation clearly set out the financial challenges within the reality of the economic pressures that the Council was facing in order to ensure expectations were managed.

Reason for recommendations

(1&2) Having regard to the discussions at the meeting and the contents of the report and to advise Cabinet of the views of the Environment and Regeneration Scrutiny Committee.”