

Executive

Agenda
Item:

A.1(B)
(5)

Meeting Date: 15 February 2021
Portfolio: Environment and Transport
Key Decision: No
Policy and Budget Framework: Yes
Public / Private: Public

Title: Charges for Rat Treatments in Domestic Properties – Budget Amendment
Report of: Corporate Director of Governance & Regulatory Services
Report Number: GD.20/21

Purpose / Summary:

On 14 December 2021 the Executive considered Report GD.48/20 (amended) and resolved to introduce a charge for the treatment for rats in domestic properties (Min ref EX.144/20). This Report deals with a proposed amendment to the Executive's Budget Proposal to not introduce the said charge.

Recommendations:

That the Executive resolve one of the two following options:

- a. For the reasons set out in GD.48/20 (amended) the Executive reaffirm the charge for rat treatments in domestic properties.; or
- b. The Executive no longer wishes to impose a charge and resolves:
 - a. To not impose a charge for the treatment for rats in domestic properties for 2021/22; and
 - b. Recommend to Council in its Budget Proposal on 17 February that the income target for the service area is reduced by £25,000 for 2021/22.

Tracking

Executive:	15 February 2021
Scrutiny:	
Council:	17 February 2021

1. BACKGROUND

- 1.1 On 14 December 2021 the Executive considered Report GD.48/20 (amended) and resolved to introduce a charge for the treatment for rats in domestic properties (Min ref EX.144/20). On 2 February 2021 the Council agreed an amendment to the Executive's proposed budget as follows (including advice from the Corporate Director of Finance & Resources):

Removal of Rats in domestic properties charge:

It is proposed to remove the charge for treatment of rats in domestic properties. We believe that now is not the time for the introduction of this new charge with the financial difficulties' households are currently encountering with COVID. We therefore ask the Executive to reconsider the implementation of this charge for 2021/22 and fund the income shortfall from Revenue Reserves.

Corporate Director of Finance and Resources Comments and Impact on the Executive's budget proposals:

The pest control service has a history of not achieving its income targets. The implementation of this charge is seen as a way to ensure the income target can be met. If the charge had not been implemented there would continue to be a shortfall of income and a pressure on the Council's Revenue budget.

The proposed charge is expected to bring in additional income of between £19,000 and £28,000, therefore an estimate of £25,000 is used as the basis for this amendment.

The consequences of accepting this amendment is that there will be an increase in the Council's non-recurring revenue budget for 2021/22 of £25,000 to support the proposal. There will be an equivalent reduction in the level of overall Council reserves.

The proposal has no impact on the level of Council Tax increase proposed by the Executive.

The proposal has no impact on the Capital Programme proposed by the Executive.

The amendment will result in the following main changes to the Executive's Revenue Budget proposals for 2021/22 as set out in Minute EX06/21:

Schedule 4 – Non-Recurring Budget Increases

- There would be an increase in the overall level of Non-Recurring Budget increases of £25,000 for 2021/22, increasing from £777,000 to £802,000 in 2021/22.

Schedule 5 – Summary Net Budget Requirement

- Total Revenue Expenditure would increase by £25,000 in 2021/22.
- Contributions from Reserves for non-recurring commitments would increase by £25,000 from £72,000 to £97,000 in 2021/22.

Schedule 10 – Useable Reserve Projections

- There would be a decrease in the level of General Fund/Projects Reserve projections of £25,000 in 2021/22 leaving total reserves at £3.115 million by 2025/26.

2. PROPOSALS

2.1 The setting of charges for rat treatments in domestic properties is an Executive Function and the setting of income targets is a Council function through the budget process. The options open to the Executive are as follows:

- c. For the reasons set out in GD.48/20 (amended) it may reaffirm its wish to charge for rat treatments in domestic properties. In this case no action is necessary other than to assert this position at the Council Meeting on 17 February.
- d. The Executive may wish to reconsider its decision to impose a charge for the treatment for rats in domestic properties in the light of the Council's stated position. If the Executive no longer wishes to impose a charge then it should resolve:
 - a. To not impose a charge for the treatment for rats in domestic properties for 2021/22; and
 - b. Recommend to Council in its Budget Proposal on 17 February that the income target for the service area is reduced by £25,000 for 2021/22.

3. RISKS

3.1 The risks to the Council are set out in the comments by the Corporate Director of Finance & Resources.

4. CONSULTATION

4.1 Council has, via the Budget Process, been consulted and expressed its view.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

5.1 For the reasons set out in the Report, the Executive should resolve either as set out in 2.1(a) or 2.1(b).

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Appendices

attached to report:

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

LEGAL – In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, the setting of charges is an Executive Function. The setting of the Council's Budget is a matter reserved to Council.

PROPERTY SERVICES – None.

FINANCE – Contained within the main body of the report.

EQUALITY – None.

INFORMATION GOVERNANCE – None.