



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET 6 th FEBRUARY 2023
Subject	PUBLIC TOILETS - FINANCIAL REVIEW
Wards affected	Coln Valley, Bourton Vale, Chipping & Vale, St. Michaels Cirencester, Watermoor Cirencester, Fairford North, Lechlade Kempsford & Fairford South, Moreton East, Northleach, Stow, Tetbury East and Rural and Tetbury with Upton.
Accountable member	CLlr Lisa Spivey – Cabinet Member for Corporate Services Email: lisa.spivey@cotswold.gov.uk
Accountable officer	Jon Dearing - Group Manager for Resident Services Email: jon.dearing@publicagroup.uk
Report author	Maria Wheatley – Shared Parking Manager Email: maria.wheatley@publicagroup.uk
Summary/Purpose	To inform Cabinet of the overall cost of public toilet provision, and to provide options for revising charges. Additional resource has been set aside within the capital programme to equip all sites with cash and card payment systems.
Annexes	None
Recommendation(s)	<p><i>That Cabinet resolves to:</i></p> <ol style="list-style-type: none"><i>1. Endorse the inclusion of £50,000 within the Council's Capital Programme (considered elsewhere on the agenda) to allow for the potential installation of cash and card payment facilities at all sites;</i><i>2. Delegate the decision to install cash and card payment facilities on a site-by-site basis to the Group Manager for Resident Services in consultation with the Cabinet Member for Corporate Services in line with the process set out at paragraph 2.5;</i><i>3. Approve a waiver of the Council's Contract Rules for the reason set out at paragraph 2.6;</i><i>4. Approve an increase in service charges to 40p at all chargeable sites with effect from 1 April 2023 in line with the options appraisal</i>



	<i>presented at paragraphs 2.8 to 2.13.</i>
Corporate priorities	<ul style="list-style-type: none">• Delivering our services to the highest standards• Helping residents and communities access the support they need for good health and wellbeing
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Internal consultation with Cabinet Member for Corporate Services, Chief Executive, Deputy Chief Executive and Chief Financial Officer, Group Manager for Resident Services, Business Manager for Environment, Housing and Revenue, Head of Legal, Monitoring Officer, and Finance Business Partner.



I. BACKGROUND

- I.1 The Council operates fifteen public toilet sites across the district. During 2007 and 2008, ten of these sites were refurbished, introducing up to date systems and charging. Charges were set at 20p with coin only mechanisms. The mechanism takes any coin but does not give change. No further improvements have taken place in any of the public toilet sites other than re-active maintenance and redecorating.
- I.2 The provision of public conveniences is not a statutory requirement; however, it is recognised that public hygiene is of the utmost importance and that not having such facilities can increase the risk to public health.
- I.3 During the pandemic, many people preferred to pay by card, to reduce contact with coins and the possible spread of germs. When the country was released from lock down many people began to have days out with Bourton on the Water, (BOTW) being a popular village in the Cotswolds to visit. The council provides two public toilet sites in BOTW, and they became very busy. A large number of the visitors did not have change or did not have cash with them, and approached businesses for change and or help. Many of the businesses only taking card payments, were unable to provide change or the use of their own facilities. The council received complaints and comments from visitors and businesses requesting card enabled payments at the toilets.
- I.4 At a Cabinet Member decision-making meeting 15th July 2021, the decision was made to install card readers at the two sites in Bourton on the Water and increase the charge to 30p. Customers have the option to pay with cash or card at these sites, ensuring the majority of people can access the facilities.
- I.5 All disabled units are accessed with a RADAR key free of charge.

2. MAIN POINTS

- 2.1 The 2022/23 revenue budget for public toilet provision is £186K. Utilities and contract cleaning comprise the majority of the service cost offset by contributions from service charges. In terms of charges, BOTW sites charge 30p, the refurbished sites charge 20p, and the remaining sites are free of charge.



- 2.2** The income generated from charges offsets the cost of providing the public toilet facilities but does not cover the whole expenditure. The additional cost is financed from the Council's Net Revenue Budget.
- 2.3** A contractor carries out the cleaning and internal maintenance of the units. The higher used sites require more cleaning and additional consumables and therefore cost more to provide. These units also have higher utility bills to cover electricity and water usage. Contract cleaning charges for 2023/24 will be higher than for 2022/23 due to inflation. Based on current income and service activity levels, an additional budget pressure of £35K would need to be reflected within the 2023/24 revenue budget (see reports elsewhere on the agenda)
- 2.4** Members of the public have contacted the council to request card payments at more of the sites, where charges apply, as many have struggled to gain entry due to lack of coins. To facilitate the roll-out of cash and card payment facilities at more sites, £50,000 has been included within the Council's proposed Capital Programme for 2023/24 (see report elsewhere on the agenda). This is based on the estimated cost of providing cash and card payment facilities at all remaining sites where they are not currently installed.
- 2.5** Prior to installing cash and card payment facilities at each remaining site, a review will be undertaken and business case prepared on a site by site basis for consideration by the Group Manager for Resident Services in consultation with the Cabinet Member for Corporate Services to determine whether installation should proceed. Decisions will be made on a site-by-site basis.

Contract Procedure Rules - Waiver

- 2.6** A waiver of the Council's Contract Procedure Rules is being sought to appoint Danfo, the current contractor, to carry out the installation of cash and card payment facilities and associated changes where required subject to the above-mentioned business case approval process. Danfo is the Council's cleaning and maintenance contractor, and as such has extensive knowledge of the sites and equipment and will be responsible for the on-going maintenance of all the equipment on site. The equipment is required to match that of the existing mechanisms. If the equipment and installation is carried out by a third party this may require a variation to the current contract and or may cause maintenance and operational issues. A waiver of the Council's Contract Procedural Rules is being sought for the following reason.



- Where the goods, materials, works or services are of a unique or specialised nature or are identical or similar to or compatible with an existing provision so as to render only one or two sources of supply appropriate, which includes an upgrade to the current provision

2.7 Pending the outcome of the above-mentioned review/business case process, it is recommended that charges for the use of facilities are reviewed with a view to reducing pressure on the Council's 2023/24 Revenue Budget. The scope of this review only covers sites which currently levy a charge. Sites which are currently free of charge will remain so pending the outcome of the review/business case process.

Options Appraisal

2.8 The financial impact of three charging options are presented in the table below. These are:

- Option 1 – Maintain the existing charging structure
- Option 2 – Charge 30p at all sites which currently levy a charge
- Option 3 – Charge 40p at all sites which currently levy a charge

Location	Current Charge	Forecast 2022/23	Incr. to 30p Forecast 2023/24	Incr. to 40p Forecast 2023/24
Bourton on the Water, Rissington Road	£0.30	£18,192	£18,192	£24,256
Bourton on the Water, Church Rooms	£0.30	£19,451	£19,451	£25,934
Chipping Campden, Sheep Street	Free	£0	£0	£0
Tetbury, West Street	Free	£0	£0	£0
Northleach, Market Place	Free	£0	£0	£0
Cirencester, The Brewery Car Park	£0.20	£3,003	£4,504	£6,006
Moreton in Marsh, High Street	£0.20	£2,904	£4,356	£5,807
Stow-on-the-Wold, Market Square	£0.20	£3,594	£5,392	£7,189
Cirencester, Forum Car Park	£0.20	£3,133	£4,700	£6,266
Bibury, The Street	£0.20	£2,681	£4,021	£5,360
Stow-on-the-Wold, Mangersbury Road	£0.20	£2,146	£3,219	£4,292
Lechlade, Burford Street	Free	£0	£0	£0
Tetbury, The Chipping	Free	£0	£0	£0
Fairford, High Street	£0.20	£805	£1,207	£1,609



Location	Current Charge	Forecast 2022/23	Incr. to 30p Forecast 2023/24	Incr. to 40p Forecast 2023/24
Cirencester, London Road	£0.20	£830	£1,245	£1,660
TOTAL Forecast Income		£56,738	£66,286	£88,380
Increased Income over Current Charges			£9,548	£31,642
TOTAL Forecast Gross Expenditure		£221,950	£277,296	£277,296
Net Cost to the Council		£165,212	£211,010	£188,916

- 2.9 The estimates presented above are based on current footfall/usage estimates at each site. A comparison of footfall for the April to December period for both 2019 (pre-pandemic) and 2022 indicates that usage (and consequently income) is down by an average of 41%. Footfall for April to December 2019 was around 407,000 whereas footfall for the same period in 2022 was just 241,600; a reduction of 165,400. This has led to a reduction in collectable income when compared to budget. However, the forecast reduction in income has not presented itself as a budget pressure in 2022/23 due to offsetting cost reductions for utilities and consumables plus the receipt of a one-off Business Rates credit relating to prior year charges.
- 2.10 Should option 1 (maintain the existing charging structure) be selected as the preferred option, an additional budget pressure of £35K would need to be included within the 2023/24 revenue budget to reflect the above-mentioned reductions in footfall and income alongside an inflationary increase in contract cleaning costs (general price inflation based on the Consumer Prices Index is currently in excess of 10%).
- 2.11 Should option 2 (charge 30p at all sites which currently levy a charge) be selected as the preferred option, an additional budget pressure of £25K would need to be included within the 2023/24 revenue budget. This is lower than for option 1 as around £9.5K of additional income would be generated from increased charges.
- 2.12 Should option 3 (charge 40p at all sites which currently levy a charge) be selected as the preferred option, an additional budget pressure of just £3K would need to be included within the 2023/24 revenue budget. This is because the additional income generated from increased charges would almost wholly offset the above-mentioned cost pressures arising from reduced footfall and higher contract cleaning costs.



Preferred Option

- 2.13 It is recommended that option 3 is selected as the preferred option in order to mitigate the impact of service cost pressures on the 2023/24 revenue budget. It is recommended that revised charges are implemented with effect from 1 April 2023.

3. FINANCIAL IMPLICATIONS

- 3.1 The estimate to install cash and card payment systems at the remaining thirteen sites where it is not currently installed is around £50K and will be Capital Expenditure. Approval of the installation of card payment facilities at specific sites will follow the process set out at paragraph 2.5. The capital expenditure will be financed from the Capital Receipts Reserve. There is sufficient resource within the reserve to cover this cost. This is reflected in the estimates presented within the Capital Strategy report (elsewhere on the agenda).
- 3.2 As indicated at paragraph 2.1, the 2022/23 net revenue budget for public toilet provision is £186K. Utilities and contract cleaning comprise the majority of the service cost offset by contributions from service charges. The service is currently reporting an underspend of £21K in 2022/23 which is largely the result of a one-off credit for Business Rates charges in prior years. The contribution from service charges (income) for 2022/23 is currently forecast to be £57K. The net cost of service provision is therefore forecast to be £165K for 2022/23.
- 3.3 The estimates included within the revenue budget for 2023/24 (see reports elsewhere on the agenda) are aligned with the preferred option presented in this report. Should a different option be approved, it will be necessary to revisit those estimates and make additional budget provision for the above-mentioned cost pressures.

4. LEGAL IMPLICATIONS

- 4.1 No known legal implication.

5. RISK ASSESSMENT

- 5.1 There is a risk that the usage figures will fluctuate and therefore skew the income estimates included in the report. Increased charges may also lead to further reductions in footfall and usage of the facilities.



6. EQUALITIES IMPACT

- 6.1 There are no unacceptable adverse effects on the protected characteristics covered by the Equalities Act that have been identified.

7. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 7.1 The introduction of card payments may reduce the number of trips required for cash collection, which will reduce the carbon footprint.

8. ALTERNATIVE OPTIONS

- 8.1 Several charging options are set out at paragraphs 2.9 to 2.13.

9. BACKGROUND PAPERS

- 9.1 Cabinet Member decision-making meeting 15th July 2021

(END)