

Appendix A

Public Protection Partnership Budget - Supporting Information

1. Introduction/Background

1.1. The net revenue budget for 2020/21 has been calculated taking into account:

- The annual cost of living rise at 2%
- Incremental rises effective from the 1st April 2020
- Increase in West Berkshire and Wokingham pension
- No inflationary rise has been applied to supplies and services

This gives a total net revenue budget for 2020/21 of **£3.716M**.

1.2. This means that with inflation and salary adjustments the budget has increased by £152k. It is important to note that these inflationary pressures would have been experienced by the individual partner councils even if the PPP was not in operation, however it is noted that there were different methods of accounting for the change year to year.

1.3. The agreed percentages are in-line with the 2019/20 percentages with minor adjustments of less than 0.5%.

2. Joint Management Boards (JMB) consideration of a budget reduction

2.1. In 2018 West Berkshire Council requested that the JMB consider the way to manage a reduction in contribution of £58k in 2019/20 and subsequently in 2020/21.

2.2. The Inter-Authority Agreement anticipates that service levels are evenly applied across the areas administered by the three Councils. That is not to say that different service levels could not be applied in different areas. The difficulty with this is that it could be argued to undermine the ethos of the 'Partnership', and in certain circumstances could leave the other parties carrying a disproportionate share of any management / overhead cost. Nevertheless with the consent of the Committee this could be done and calculated.

2.3. Should localised service disinvestment be sought it is recommended that the most appropriate methodology would be in the form of 'rebate' for localised service reduction. This would preserve the agreed percentages for a standardised uniform service and not undermine the basis of the IAA. Any such reduction would not have to place an unfair financial burden on the other party or parties therefore all overhead costs would need to be reviewed.

3. Supporting Information - Pressures

3.1. A number of pressures have been identified. Overall the number of public houses continues to fall with associated loss of income. Most other income is broadly stable. The one other area under significant pressure is gambling establishment licensing where the changes to the Fixed Odds Betting Terminal stakes has led to a large proportion of high street bookmaker shops looking to close. There is also a loss of income from the closure of pubs with gaming machine premise licences.

4. Supporting Information – Scope for Pressure Mitigation

- 4.1. The PPP continues to look for options around income generation and/or to mitigate pressures including building capacity. Although there are discussions ongoing regarding potential scope for Primary Authority work, we continue to concentrate on working with other authorities to share resource and build capacity as well as looking to obtain grant funding to mitigate costs in respect of investigations and court matters. Included in this is the work we do around case management with colleagues from Oxfordshire and RBFRS, the sharing of resource for animal feed activity, petroleum inspections, proceeds of crime and animal health. Another significant area is financial support for investigations including staff resource, case management, forensics etc. In 2019/20 it is anticipated grant support will exceed £150K which is to cover additional costs and some internal cost recovery.
- 4.2. Whilst income generation could potentially help mitigate pressures or core funding reductions it does however come at a cost. That cost is normally manifested as a reduction in service delivery in other areas. Specific grants relating to specific activities can be helpful e.g. public health, investigations, animal feed etc. they do little to mitigate overall costs.
- 4.3. The overall scope for income generation over and above cost recovery or grant income is very limited. The business advice consultancy market is saturated. Two possible areas to explore include offering training and development and case management consultancy. The preferred option is to continue to work with other local authorities to build capacity through sharing resource. This also has the desired effect of sharing the cost of managing that resource whilst providing greater flexibility.

5. Supporting Information – Fees and Charges

- 5.1. At the meeting of the Committee in December 2017 (when it considered the 2018/19 fees and charges) a number of matters were decided. It was agreed that as a matter of principle that all fees and charges should be set on the basis of full cost recovery. In 2018/19 the hourly rate for the service was set at £55 p/h as the basis of cost recovery. This was increased as a flat fee to £57 p/h (with rounding) in 2019/20. It is proposed in the 2020/21 that as the fee was rounded in 2019/20 from £56.38 to £57 that this year it should be raised on to £57.50.

5.2. In July 2018 the Committee received a further report asking it to consider the basis for setting fees and charges and the application of full cost recovery. That methodology was approved by the Committee. Based on previous decisions work has been carried out by officers to align fee structures.

5.3. In respect of all discretionary fees we have assumed an inflationary rise of 2.0%. This inflationary rise will balance the increase in cost of service provision such as the cost of living salary rise set out above. The result is the fees schedule set out at Appendix B to this report.

5.4. Taxi and Private Hire Related Fees

The 2018/19 fees and charges for taxi and private hire related activity showed a significant disparity between the former West Berkshire and Wokingham fee structure. These were brought into line for 2019/20

A review has taken place of the Private Hire PPP is currently proposing a review of Operator fees based on per vehicle charges which are more consistent, transparent and fairer for operators than the current banded ones.

The additional administration work of the dispensation vehicles will be incorporated into these new fees going forward so all vehicle licence fees are the same.

The new Operator fees are based on a administration fee for a new or renewal of a 5 year licence plus one hour for the first vehicle plus 15 minutes for each subsequent vehicle the operator has. There also needs to be a variation fee if an operator adds vehicles to the original number on the application plus the number of vehicles for each yearly inspection. Consideration needs to be made as to whether any refund is made on any reduction of numbers as this change will mean that each time there is a variation of numbers a new licence will need to be issued-however this will be an administrative burden and will put costs up.

5.5. Animal Welfare Establishments

On 1 October 2018 the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 came into force. These regulations are made under powers conferred under the Animal Welfare Act 2006, and replace a number of pieces of legislation under which the Council previously issued licences and registrations.

Activities licensable under the regulations are selling animals as pets, providing or arranging for the provision of boarding for cats or dogs, hiring out horses, breeding dogs, or keeping or training animals for exhibition.

A new set of fees are required as the fees charged under the preceding legislation do not cover the costs associated with the new regulations. Costs have increased as a result of matters such as increase administration, new higher inspection requirements and the required qualifications for inspectors.

A set of fees have been calculated based upon the costs now encountered by PPP in dealing with the new licensing regime.

These fees have been drawn up with the benefit of operation of the new licensing regime. In order to assist Members Appendix C to this report gives a worked example of how the fees are calculated and any potential savings for high levels of compliance.

The very essence of the scheme is risk based and the higher the risk the more you will pay over any given risk period.

5.6 Fees Under Review

These fees the need to be kept under constant review. The centralised Applications Team settles and as we move to a single system in particular (where applicants will be able to apply on-line) it is anticipated that they may be some efficiencies that affect fees.

In particular we will be concentrating on whether fees for renewals could be reduced through the use of new technology.

Background Papers:

Papers containing facts or material you have relied on to prepare your report. The public can access these background papers.

PPP Strategic Aims and Priorities Supported:

The proposals will help achieve the following Public Protection Partnership aims as stated in the Inter Authority Agreement:

- 1 – Community Protection
- 2 – Protecting and Improving Health
- 3 – Protection of the Environment
- 4 – Supporting Prosperity and Economic Growth
- 5 – Effective and Improving Service Delivery

Officer details:

Name: Sean Murphy
Job Title: Public Protection Manager
Tel No: 01635 519840
E-mail Address: sean.murphy@westberks.gov.uk

Equality Impact Assessment – Stage One

Please complete the following questions to determine whether a full Stage Two, Equality Impact Assessment is required.

What is the proposed decision that you are asking the Committee to make:	To consider the revenue budget for the PPP for 2020/21 including fees and charges
Summary of relevant legislation:	
Does the proposed decision conflict with any of the partnerships key objectives?	No
Name of assessor:	Sean Murphy
Date of assessment:	08/09/2018

Is this a:	Is this:
Policy	✓
Strategy	
Function	
Service	

1. What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?

Aims:	To set out a draft budget for 2020/21 to be considered by the Committee prior to submission to Councils as part of the budget setting processes. This includes fees and charges.
Objectives:	To agree a draft budget for 2020/21 to be considered by the Councils as part of the budget setting processes. This includes fees and charges. Ultimately the budgets and fees and charges will be set by the individual Councils and will be subject to local equalities impact assessments.
Outcomes:	There is a proposal by West Berkshire to reduce its contribution. Should this be adopted there may be an impact either across the PPP delivery area or localised to West Berkshire.
Benefits:	The delivery of the key PPP priorities of: Community Protection and in particular the protection of the vulnerable Protecting and Improving Health Protection of the Environment Supporting economic growth Improving and efficient service delivery

2. Note which groups may be affected by the proposed decision. Consider how they may be affected, whether it is positively or negatively and what sources of information have been used to determine this.

(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)

Group Affected	What might be the effect?	Information to support this
Age		
Disability		
Gender Reassignment		
Marriage and Civil Partnership		
Pregnancy and Maternity		
Race		
Religion or Belief		
Sex		
Sexual Orientation		
Further Comments relating to the item:		
Should a decision be made to reduce the overall budget of the service in line with the proposal from West Berkshire then an impact assessment will need to be drawn up along with any proposals to be considered by the Committee in December.		

3. Result

Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	No
Please provide an explanation for your answer: The premises are accessibility compliant.	
Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	No

If your answers to question 2 have identified potential adverse impacts and you have answered 'yes' to either of the sections at question 3, or you are unsure about the impact, then you should carry out a Stage Two Equality Impact Assessment.

If a Stage Two Equality Impact Assessment is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the [Equality Impact Assessment guidance and Stage Two template](#).

4. Identify next steps as appropriate:

Stage Two required	No
Owner of Stage Two assessment:	

Timescale for Stage Two assessment:	
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Name:

Date:

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