

Appendix A

Public Protection Partnership Budget - Supporting Information

1. Introduction/Background

- 1.1. The net revenue budget for 2021/22 has been calculated taking into account:
- The annual cost of living rise (£65.25K)
 - Incremental rises effective from the 1st April 2021 (£36.7K)
 - Minor NI Changes
 - Increase in pension contributions notified to the host authority
 - No inflationary rise has been applied to supplies and services or contractual payments

This gives a total net revenue budget for 2021/22 of **£3.876M**

- 1.2. This means that with inflation and adjustments the budget has increased by £161K although the staff and budgets are hosted by West Berkshire Council it is important to note that these inflationary pressures would have been experienced by the individual partner councils had the services been hosted individually.
- 1.3. The agreed percentages remain within 0.2% of the 2020/21 percentages. The minor variances relate to pensions.

The End of Year Performance report considered by this Committee in July 2020 set out many aspects of the workload split between authorities. Whilst there had been some small variance it is proposed that this should be looked at over a rolling three year period as one year could be skewed by a single event such as a large investigation, disease outbreak etc.

Authority	20/21 Percentage	21/22 Percentage	Budget Allocation	Increase om 1920/21
Bracknell Forest	25.76	25.83	£1,001,000	£43.6K
West Berkshire	40.00	39.96	£1,549,110	£54K
Wokingham	34.24	34.21	£1,326,470	£63.1K

2. The Impact of Covid19 – Loss of Income

- 2.1. Very few areas of local authority budget setting has not been impacted by the Covid19 pandemic. The services provided by the partnership are no different and have been impacted in a number of different ways an including Loss of Income

In the period April 2020 - August 2020 it is anticipated that the total income lost due to licence surrender, non-renewal etc. amounted to £36K

Income continues to fall as licences come up for renewal or licences are surrendered. We have seen reductions in the taxi and private hire trade whose revenue is intrinsically linked to the hospitality and business sectors as well as airport and holiday fares. All of these revenue streams are under pressure and without significant recovery it is likely many more drivers and vehicles licences will not be renewed in due course.

The effects on hospitality are significant. A number of restaurant chains have announced closures and these include premises within the PPP area. The number of pubs continues to decline and at this time it is not known how many will face unviability as we move into autumn and winter and the use of outdoor spaces is no longer viable.

Gambling establishments in the form of betting shops were already closing following the capping of stakes on 'fixed odds terminals'. A number that closed due to lockdown business restrictions have not re-opened.

There has been also a significant reduction in licenced events although the number of events licenced and unlicensed is now picking up and because of the Councils responsibility under the Coronavirus regulations granting local powers to control events the service has a significant increase in workload. An event for which a £21 TEN fee (set by law) may be payable can create many hours of work.

Animal establishments have all faced significant financial challenges to a lesser or greater degree. Almost certainly the most challenged aspect of the sector is animal boarding establishments who rely on either caring for people's pets whilst they are away from home or face other personal challenges or who provide day care for people's dogs whilst they are at work. Like taxis and private hire they face the collateral impact of changes in other sectors.

All in all it is not known what the licensing income base will be in 2021/22. We will keep the Committee and the Councils informed of emerging trends and budget variances. In the meantime we continue to mitigate and manage risk by keeping posts vacant and using temporary staff where expedient. It goes without saying that the higher the loss the more difficult this will be to manage without more fundamental structural change as critical mass is lost.

3. The impact of Covid19 – Additional Expenditure

- 3.1. At the meeting of this Committee on the 24th June 2020 the Committee received a paper on the role of the Public Protection Service in the delivery of the Covid19 response. This included enforcing new legislation relating to business restrictions, responding to resident and employee concerns and the provision of advice to businesses. More detail can be found elsewhere on this agenda of the work since this time.

- 3.2. In terms of funding for additional work, particularly around local outbreaks, each of the PPP Councils received grant funding from DHSC. The service prepared, and submitted a bid and has been awarded funding from this central grant. The bid was predicated on the provision of a 7 day service for 18 months as well as some additional resource to carry out local outbreak investigation in workplaces and high risk settings. This combined funding amounts to £169K for the period 1st July 2020 to 31st December 2021. As a grant this funding is being accounted for separately and we will report back to the Councils as required. It does not form part of this revenue budget.
- 3.3. Other areas of work which are increasing and are expected to increase further are concerns raised by residents about businesses allegedly not complying with Covid legislation or guidance. We are looking at whether we can access other grant monies available and in particular those aimed at supporting businesses.
- 3.4. The final and significant area is events and gatherings. The Covid (No3) Regulations 2020 gave local authority significant powers to issue directions and, if need be, prohibitions in respect of premises, events and public places. It is worth saying that certain events (gatherings) are permissible subject to them being risk assessed and we are working with public health colleagues to consider all risk assessments. This is a significant piece of work and can take many hours per event. We then also conduct visits to ensure compliance. The cost of this work is being assessed and again we are looking at whether resources can be found for some additional staffing for a 12 month period.

4. Supporting Information – Emerging Pressures

- 4.1. The PPP continues to look for options to mitigate pressures including building capacity. 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. Examples include 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. We are currently considering further options around joint investigation work in the trading standards arena where much of the offending is cross border.
- 4.2. One emerging area of workload is the end of the EU withdrawal transition period. At the time of report preparation negotiations on future trade relationship were still being conducted. Most of the regulatory controls that relate to food, products, the environment, agriculture, safety, animal health and welfare are currently based in single market law. Over the last few months these are being adopted into domestic law but there are many changes that will affect business around approvals, certification and border controls etc. These changes will grow as we continue the process of divergence. As the enforcement body for most of these areas of law we expect to see a significant but unquantifiable (at this stage) increase in workload. This could include checks and certification, increased enforcement role and advice for local businesses. When we have a clearer picture we will report back to Committee on this issue.

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 a generic hourly rate for the service was set at £55 p/h as the basis of cost recovery. This was increased in 2019/20 to £57 per hour and was held at this level for 2020/21. For 2021/22 the full cost of the service, including internal support service re-charges (as per Council budget build processes) and the current establishment lists were updated which resulted in a new rate of £59 p/h. This is the figure used for fee setting for 2021/22, unless specified.
- 5.2. In calculating this fee a range of factors have been considered including the wide variety of council overheads each of the partners must contribute to, the levels of staffing, their costs, contracts and the necessary training to maintain a competent workforce.
- 5.3. All fees proposed by this Committee will be considered by each of the Councils Licensing Committees prior to submission to each full Council as part of the budget setting process. If consultation was felt appropriate it would be a matter for the Licensing Committees as these are local matters. Statutory consultations for taxi and private hire vehicles and private hire operator fees would of course be conducted as a matter of course.

5.4. Animal Welfare Establishments

A new licensing regime for Animal Welfare Establishments e.g. pet shops, animal boarding, riding establishments etc. entered into force in October 2018.

For 2019/20 the fees were capped to the levels for 2018/19. This gave the service and the licence holders' time to adjust to the new and significantly more detailed and comprehensive licensing regime.

The fees set for 2020/21 gave rise to a significant level of concern being raised by those involved in Home Boarding (Day Care) for dogs. These concerns have been looked at in detail and a proposal on a new methodology can be found at **Appendix C** to this report. This is based on the principle that there is basic fee for compliant businesses and non-compliant businesses will pay a higher fee where, for example, additional visits of chasing of information is needed.

It is worth noting that the new regime is risk based. In Wokingham and West Berkshire those with the highest standards of compliance who were granted a three year licence have seen on marginal increases under the existing methodology. They will see a reduction under the new methodology compared to 2019/20.

The whole basis of the Regulations is improved standards. It is hoped that we can work with licence holders to get to the stage that they all meet the criteria to be classed as low risk and can achieve the granting of a three year licence.

5.5. Houses in Multiple Occupation (HMO)

There have been a series of exchanges with interested parties in relation to the fees set for issuing 5 year HMO licences. This focussed on compliance with the Services Directive and the level of transparency regarding the formation of the hourly rate that applied. In response to this question a review was carried out by the Joint Management Board and the findings are detailed in **Appendix C**.

5.6. Fees for Licenses Granted for 2 or more years

There are a number of licence fees proposed which run for 2 or more years. Given the uncertainty faced by many sectors it is proposed that in such cases the fee can be paid in equal annual instalments over the period of the licence.

6. Supporting Information – Risks should the budget not be agreed

6.1 It is important to understand the implications of not approving this recommended budget and how the PPP would need to manage risk. In order to allow the partners to consider this the summary below shows what would be the most logical steps to address a budget reduction:

- a) Any programmed work which can be quantified in terms of number of visits/inspections/audits would be prioritised as a service reduction. This would almost entirely be seen in the reduction in the number of staff allocated to either Food Safety/Hygiene/Standards or Private Sector Housing. Depending on the level of reduction it could mean both. This is seen as preferable to a reduction in community led response work which inevitably leads to much more prevalent service complaints, member and MP enquiries. All of which have been agreed as priority areas for the management team to avoid. There may be redundancy costs associated with this option.
- b) Stop providing business support and event management guidance. This has been an area of high demand throughout the COVID-19 response phase and is likely to be an issue of high concern throughout the EU Exit response phase. These matters are not a legal requirement for the PPP to provide, although it has been widely acknowledged that this is a role that the PPP have fully embraced and has been vital to business recovery planning and economic development.
- c) Increase the threshold for neighbourhood response led work to all but the most vulnerable in the community i.e. automate all processes via websites/chatbots etc. unless there is a direct link to ill health/shielded individuals or high risk settings such as schools and care homes. This may require some upfront investment to achieve.

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:

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Equality Impact Assessment – Stage One

What is the proposed decision that you are asking the Committee to make:	To consider the revenue budget for the PPP for 2021/22 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:	06/09/2020

Is this a:		Is this:	
Policy	✓	New or proposed	✓
Strategy		Already exists and is being reviewed	
Function		Is changing	
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 2021/22 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 2021/22 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:	
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	No	
Disability	No	
Gender Reassignment	No	
Marriage and Civil Partnership	No	
Pregnancy and Maternity	No	
Race	No	
Religion or Belief	No	
Sex	No	
Sexual Orientation	No	
Further Comments relating to the item:		

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

4. Identify next steps as appropriate:	
Stage Two required	No
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	

Name:

Date:
