

## **APPENDIX D - Agreed Methodology for Localised Service Disinvestment**

### **1. Background**

- 1.1 The Inter-Authority Agreement (IAA) of the 6<sup>th</sup> January 2017 was developed to reflect the principles underlying the shared service ethos namely, one level of service, regardless of geography tailored to meet common and local needs.
- 1.2 The funding formula in the IAA was based upon the principle of 'agreed percentages' i.e. that each authority contribute in accordance with local demand to the common service aims. Some local arrangements exist for additional services and these are paid for outside of the scope of the IAA core funding formula. Examples, amongst many, include contract management for Legal Work (BFC), Fly-Tipping enforcement (WOK), Tobacco Control Schools work (West Berks). This funding is over and above the core funding formula and is accounted for separately.
- 1.3 One of the benefits of the shared service was to allow the PPP to develop the fundamental elements that were needed to deliver a modern intelligence led regulatory and enforcement service. This allowed for the development of specialist units covering such areas as Intelligence and Systems, Case Management and Governance, Financial Investigations and Partnership Support. These can be described as the 'core offer' of the service.
- 1.4 At the time the IAA was drafted the issue of local service disinvestment was raised. It was always acknowledged that whilst this was possible it had to be done in a way that did not unfairly disadvantage the other parties to the agreement. For the first three years of the agreements operation no party has proposed such a move. We now have a situation where local disinvestment is being considered and therefore a methodology is required.

### **2.0 Overarching Principles**

- 2.1 The 'agreed percentage' methodology of service contributions is core to the entire agreement. By its nature any unilateral reduction in core funding would significantly alter the 'agreed percentages'. This is significant on two levels. Firstly it skews the reality of proportionate local service delivery. Secondly it alters the partners liabilities in that 'agreed percentages' are used to not only calculate contributions for delivery but for example contributions relating to redundancies or even the liability should the agreement come to an end. For this reason it is proposed that in any local service disinvestment these must be preserved.
- 2.2 The second over-arching principle relates to self-funded elements (ring-fenced) of the service. Licensing is the key element of the service that falls into this category. Strict rules around cost recovery mean that licensing funding cannot be used to effectively cross-subsidise other elements of the service. To this extent any proposals must be based around the budget net of licensing income and spend. In this licensing is not alone. Other elements such as contributions

to the shared case management unit, grant funding for investigations, ring-fenced public health work need to also be removed from any considerations.

### **3.0 Proposed Methodology**

3.1 Based on the principle of preservation of the concept of 'agreed percentages' and the need to exclude licensing and other directly funded elements of the service it is proposed that the methodology is as follows:

Remove high level elements of the 'management' namely salaries of:

1. PPM
2. Strategic Management Team (4 x Strategic Managers)
3. Management Support Officer
4. Operational Management Team (7x Principle Officers)

Remove the cost of the 'core-offer', namely:

1. Intelligence and Systems (3 officers)
2. Partnership Support (Including Finance and Customer Services)
3. Joint Case Management Unit (shared arrangement with Oxfordshire County Council and RBFRS)
4. Financial Investigation Officers (2 x officers)
5. Governance (1 x Officer)
6. Safeguarding Lead
7. Training and Development Lead

Remove Contractual Commitments and core supplies and consultancy, namely:

1. Stray dog collection and kennelling
2. Air quality monitoring contractual arrangements
3. Public Analyst fees
4. Forensics and other expert fees
5. Vehicle fleet re-charges
6. Core subscriptions e.g. law databases, PNLD, TSSEL
7. Systems costs (e.g. premise databases)

3.2 Based on the following assumptions:

- all the above costs are removed and the net budget forms the basis for local disinvestment and,
- that the Committee approves the recommendation for a core stand-still budget for 2020/21

The available net amount for local disinvestment service available for 20/21 would be circa £1.7M. Applying the agreed percentages this would breakdown as follows:

Bracknell Forest: £450K

West Berkshire: £680K

Wokingham: £570K

3.3 Within this identified budget allocation are the following areas of work (not exclusive):

- Service Requests
- Consumer Complaints
- Food safety
- Food Standards
- Agricultural Standards
- Animal health and welfare
- Human and animal disease control measures
- Health and Safety at Work
- Energy performance
- Product Safety
- Estate Agency and Lettings
- Intellectual Property
- Unfair Trading
- Investigations including Fraud
- Private Sector Housing standards
- Houses in Multiple Occupation
- Air Quality
- Planning consultations and condition discharge
- Pest related matters
- Statutory nuisance
- Sales of age restricted products e.g. alcohol, tobacco and knives
- Weights and Measures
- Dog control (not strays – dangerous dogs etc.)

3.4 Many of these are demand led and all are statutory duties with the exception of support for planning matters. Many are matters of significant social policy (housing, alcohol and tobacco) or local concern (air quality, nuisance etc.). Nevertheless these remain local political decisions and Board and Service Manager will put together any package of proposals requested by any partner authority.