
Revenue Budget 2024/25 including Proposed Fees and Charges Schedule

Committee considering report:	Joint Public Protection Committee
Date of Committee:	2 October 2023
Chair of Committee:	Councillor Lee Dillon
Date JMB agreed report:	22 September 2023
Report Author:	Sean Murphy
Forward Plan Ref:	JPPC4252

1. Purpose of the Report

- 1.1 To set out the Public Protection Partnership's (PPP) draft revenue budget for 2024/25, including discretionary fees and charges for 2024/25.
- 1.2 To seek approval for the draft budget and draft fees and charges schedule prior to submission to Bracknell Forest and West Berkshire Councils as part of their budget setting process in accordance with the Inter-Authority Agreement (IAA).
- 1.3 To agree the figure for the basis of the recharge to Wokingham Borough Council with respect to the services jointly Wokingham Borough Council under the shared service agreement effective on the 1st April 2022.

2. Recommendations

The Committee:

- 2.1 **CONSIDERS** the draft revenue budget including the fees and charges set out in this report.
- 2.2 **RECOMMENDS** to partner Councils the contributions set out in column three of the table at 5.23 form the basis of the 2024/25 net revenue budget contributions.
- 2.3 **NOTES** the pressures set out in columns four and five in the table at 5.23.
- 2.3 **APPROVES** the fees and charges set out in Appendix A.
- 2.3 **APPROVES** the contribution request from Wokingham Borough Council to be as set out in column three of 5.23 below.
- 2.4 **AGREES** that the policy position in relation to monies received under the Asset Recovery Incentivisation Scheme (ARIS) (which was approved at [14th March 2017 JPPC meeting](#)) remains the policy to be applied to spend / allocation of any monies received under the scheme.

3. Implications and Impact Assessment

Implication	Commentary
Financial:	<p>The base budget requirement to fund the service is set out at 5.23 below.</p> <p>The fees and charges proposed are set out in Appendix A to this report. These are either statutory fees where any variance will have been set by law or discretionary fees. In respect of the discretionary fees these are based on the principle of full cost recovery agreed previously by this Committee.</p> <p>For the avoidance of doubt any grant funding received under the Proceeds of Crime Asset Recovery Incentivisation Scheme does not form part of the PPP revenue budget. This has been agreed by the Committee at the 14 March 2017 meeting.</p>
Human Resource:	<p>The base budget funding set out at 5.23 will be required to maintain the current structure at 2023/24 levels. Any funding level set below the full base will need to be found from a reduction in staffing levels which includes a number of vacant posts.</p>
Legal:	<p>The IAA (Inter-Authority Agreement) that set up the Partnership effectively delegates responsibility for the strategic direction of the PPP to the Joint Public Protection Committee. The responsibilities of the committee are set out in Schedule 1 to the agreement.</p> <p>The IAA with Wokingham requires that we indicate the level of contribution required from Wokingham early enough for it to feed into their budget setting cycle.</p> <p>Included is the responsibility to propose a fee structure and annual budget to the partner Councils and agree any variations to the budget.</p> <p>The Committee also has the responsibility to set out a proposal for the agreed percentage figures for each authority. The agreement requires that these should be submitted by 30th November in year preceding the effective implementation date or other such date agreed by the Councils.</p> <p>It remains at all times the responsibility of the partner Councils to set their own budgets including fees and charges having received the recommendation of the Committee.</p> <p>There are statutory consultation requirements associated with the fees and charges for hackney carriage and private hire drivers, vehicles and operators. These are set out in Sections 53</p>

	and 70 of the Local Government (Miscellaneous Provisions) Act 1976. Any variations to these fees will be consulted on in accordance with the legislation and will be discussed at the Licensing Committees of the partner organisations prior to recommendations being made to the Budget Council meetings of the two authorities.			
Risk Management:	Any risks associated with the recommendations will be captured as part of regular Joint Management Board briefing process and will be escalated as per the IAA and Committee approved Business Plan.			
Property:	There are no direct property implications arising from this report.			
Policy:	<p>The Committee has responsibility for setting the strategic direction and policy of the PPP. This includes the maintenance of financial oversight to ensure sound financial management. More specifically the Committee has responsibility for recommending to the Councils a budget that meets its needs along with a proposal for fees and charges.</p> <p>Updates on the financial position are presented to the Committee as part of the quarterly performance monitoring regime.</p>			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		x		Where any decisions are made to change service provision individual impact assessments will be undertaken. There are currently no proposals to disinvest from any services already provided.
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		x		None

Environmental Impact:	X		The service plays a significant role in the protection of the environment including air quality, land contamination, planning considerations and enforcement of green energy claims. The proposals in this report if accepted will maintain capacity in this area.
Health Impact:	X		A significant number of the Partnership's Service Priorities relate to protecting and improving health. These included food safety and standards, health and safety, tackling fraud, air quality and private sector housing. If this activity continues to be funded there will be a continuing positive impact on the health of residents and visitors to Bracknell Forest and West Berkshire.
ICT or Digital Services Impact:		x	None Albeit that the Service will continue to promote initiatives on its social media platforms and website.
PPP Priorities :		x	<p>PPP Priorities:</p> <ol style="list-style-type: none"> 1. Alcohol and Tobacco Harm Reduction 2. Animal Welfare 3. Cost of Living 4. Environmental Protection 5. Food Safety and Standards 6. Health and Safety Enforcement 7. Housing Standards in the Private Rental Sector 8. Impact of Nuisance on Residents and Communities 9. Improved Air Quality 10. Licensing 11. Nutrition and Childhood Obesity 12. Service Improvement 13. Tackling Fraud 14. Unsafe Consumer Goods <p>The work of the PPP will support the Council priorities in both the partner authorities.</p>
Data Impact:		X	This decision about budget setting will not have a significant impact on the rights of data subjects

Consultation and Engagement:	<p>The fees for Taxis and Private Hire Vehicles and Private Hire operators will be subject to statutory consultation.</p> <p>The remainder of the fees and charges will be subjected to any budgetary consultation exercises undertaken by the partner authorities.</p>
Other Options Considered:	<p>The Councils are currently still considering their wider revenue budgets for 2024/25. Should either of the Councils seek to disinvest in this area of service there is a methodology agreed (by JPPC) for doing so.</p>

4. Executive Summary

- 4.1 The Inter-Authority Agreement (IAA) between the Councils sets out the functions that are delegated to the Joint Public Protection Committee (JPPC) under the terms of the agreement. To deliver these functions for the Councils they are requested on an annual basis to allocate a budget to be overseen by the JPPC. That process being that a budget is proposed by the Committee along with a proposed schedule of fees and charges. The total net revenue budget for the service is then shared between the Councils in the agreed percentages. This percentage split and budget proposals are required to be provided to the partner organisations by the 30th November each year.
- 4.2 All partner Councils are facing unprecedented pressures on revenue budgets both in year and in future years. This report is being prepared in both the context of the in-year pressures and the fact that we are at an early stage in the 2024/25 budget setting cycle at a time of significant uncertainty and challenges. Consequently, the Committee is being asked to consider the coming year's budget over two meeting cycles. This report sets out the allocations needed to maintain the current service / staffing levels along with recommended allocations based on assumptions that income and salary deficit pressures will not be funded with an indication of the pressures built into those allocation assumptions. It is proposed we return to the Committee in December with a further report detailing what mitigations will be applied to manage the deficit.
- 4.3 The revenue budget and fees and charges are then subjected to the budgetary consultation and agreement processes of the individual authorities. Additionally, the proposed fees and charges for hackney carriage and private hire vehicles and operators are subject to the consultation requirements in Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976. Prior to statutory consultation the licensing fees and charges will be subject to consideration by the respecting Licensing Committees prior to the commencement of the consultation. The Committee's will then be asked to consider any responses before recommending a final set of fees and charges to each Executive and Full Council.

5. Supporting Information

Introduction

- 5.1 The funding arrangements for the service are set out in two Inter-Authority Agreements (IAA's). The agreement of the 6th January 2017 sets out the arrangements for the West Berkshire and Bracknell Forest budget contributions and the fee setting processes. The IAA of the 1st July 2022 sets out the delivery arrangements for those services

shared with Wokingham Borough Council. Both agreements set out an array of statutory functions to be delivered jointly. In the case of Bracknell Forest and West Berkshire these include private sector housing, nuisance, environmental protection, licensing, trading standards, case management, financial investigations, intelligence, food safety and standards and health and safety. In the case of the Wokingham IAA the services covered include trading standards, case management, financial investigations, and air quality.

- 5.2 The two IAA's also identify the key priority areas for the delivery of the services. In the case of the BFC and WBDC agreement these are community protection; protection and improving health; protection of the environment; supporting prosperity and economic growth and partnership working.
- 5.3 To discharge these functions, the partner Councils are requested on an annual basis to allocate a budget to the Committee. That budget is proposed by the Committee along with a proposed schedule of fees and charges. In the case of BFC and WBDC the total net revenue budget for the service is then divided between the Councils in the agreed percentages. Those agreed percentages are based on workload split which is linked to a range of factors including population and number of businesses liable to regulatory activity.
- 5.4 The percentages for 2024/25 are as follows:
- (a) Bracknell Forest 39.25%
 - (b) West Berkshire 60.75%
- 5.5 The IAA with Wokingham Borough Council is linked to their share of the costs of those services delivered on a shared basis as set out in 5.1 above.

Preparation of the 2024/25 Budget

- 5.6 The IAA sets the budget requirements of each authority based on the principle of 'agreed percentages'. The proposed percentage splits are set out in paragraph 5.4 above.
- 5.7 The net revenue budget for 2024/25 required if all of the pressures were met is set out in column 6 of the table at 5.23. This includes the Wokingham contribution. In preparing its recommended budget the Committee is required to consider the following matters:
- The previous expenditure of the PPP and the service levels achieved,
 - Any proposals for the development of the PPP and the services it offers,
 - Any material changes to the activities of the PPP,
 - Any other matters relevant from time to time,
 - Development and impact of any efficiencies that could lead to reduced costs, and
 - Consider any investment required to realise these efficiencies.

- 5.8 The net revenue budget for 2024/25 has been calculated taking into account:
- Salary cost of living rises;
 - Staff incremental points effective from at 1st April 2024;
 - Any pension and NI adjustments arising from the cost of living salary increases.
- 5.9 Any changes in year due to recruitment, staff qualification and progression or maternity etc. will be managed within the budget allocated by the Councils.
- 5.10 There has been no inflationary increase with respect to supplies and services. This element of the budget has not seen any inflationary increase since the shared service was formed in 2017.

Budget Pressures

- 5.11 The following pressures have been included in the 'stand-still' budget figures set out in column 6 of table set out at 5.23 below:
- Salary pressures arising from the decision by Wokingham to leave the Partnership on the 31st March 2022. The total pressure has now risen to £291K per annum.
 - Inflation arising primarily from salary adjustments amounting to £182.15K.
 - Income shortfall of £98K.
- 5.12 The income pressures are primarily due to the loss of licensing income from the 2019/20 base.

Mitigations

- 5.13 Based on the assumption that some, or all, of the pressures may not be funded then it is proposed to return to Committee in December 2023 and set out how the budget has been mitigated to provide a balanced budget for 2024/25. The options under consideration include:
- Deletion of some or all vacancies.
 - Seeking further grant funding and deploying staff to grant funded work.
 - Further shared service / contractual relationships with other Councils.
 - 'Invest to save' growth bids in areas such as empty homes etc.
 - Service restructure.
- 5.14 Whichever of these or any other options are followed there will need to be a refocus of the service around its new budget base which will inevitably lead to some need for re-prioritisation of the service. This will be a matter for the Committee and again, options will be set out in the December paper. Which, if any, of the vacancies that can or should be deleted will need to be considered in the context of those priorities and any emerging pressures. It doesn't follow that service reduction automatically falls where the vacancies fall. Staff will of course be consulted on any changes that affect them

and any requirement for structural change will be conducted in accordance with West Berkshire change management procedures.

5.15 In December 2017 JPPC determined that as a matter of principle that all discretionary fees and charges should be set on the basis of full cost recovery, and this would be reflected in the service 'hourly rate' which would be the basis of fee setting. The hourly rates set year on year were:

- 2018/19 - £55
- 2019/20 - £57
- 2020/21 - £57
- 2021/22 - £59
- 2022/23 - £64

For the financial year 2024/25 the proposed hourly rate is £68.25. This increase is based on headline CPI for the year to August 2023 which was confirmed by the Office for National Statistics to be 6.7%.

5.16 In calculating this hourly rate, a range of factors have been considered including the wide variety of council support service costs, staffing and associated costs, democracy and governance, contracts and the necessary training to maintain a competent workforce.

5.17 Over the last few years discretionary fees and charges have been reviewed and are now aligned across Bracknell and West Berkshire to reflect the fact that licensing procedures and systems are largely aligned.

5.18 A new IT system has been procured and is largely implemented. All licensing records are now maintained on one cloud-based system meaning all relevant staff can access records regardless of base or which council provides network access. In due course the system is expected to deliver efficiencies and improved communication for service users with automated reminders and a one stop application process via an on-line portal. The implementation for licensing has been problematic particularly around data transfer but we are resolving matters.

5.19 As stated above statutory consultations for taxi and private hire vehicles and private hire operator fees would be conducted as a matter of course in both authority areas. The nature of those consultations will be agreed by the relevant Licensing Committee but will include the publication of public notices and direct consultation of drivers, owners and operators. It is worth noting that there is a separate annual consultation on taxi fares and the increase in fees are considered as part of that process. In the last three years fares have increased as follows:

	2021	2022	2023
Bracknell Forest	13%	14%	None
West Berkshire	5%	8%	7.5%

- 5.20 A fee-based remittance scheme in respect of hackney carriage and private hire vehicle licences for both electric and hybrid vehicles was introduced on the 01 April 2023 in West Berkshire. This scheme, which will initially remain in place for three years, is funded as part of the wider environmental agenda.
- 5.21 It is proposed that the mid-term inspection fee for Home Boarders be included in the base fee. The inclusion of the mid-term inspection avoids us having to have in place a separate collection arrangement.
- 5.22 The fees and charges set by Regulation / Statute in the schedule are shown at this 2023/24 levels. These will be adjusted as any variations are made in legislation. Licensing Act 2003 charges have not increased for over a decade which has also added to the growing gap between costs and income.

Proposals

- 5.23 The proposed revenue budget for 2024/25 in column two is inclusive of the pressures set out in columns four and five.

Authority	% split	Base Budget 2024/25	Wokingham Salary Pressure	Investment Bid Income Pressure	Total Budget 2024/25
Bracknell Forest	39.25%	£ 1,233,603	£ 114,217	£ 40,000	£ 1,387,820
West Berkshire	60.75%	£ 1,909,327	£ 176,783	£ 58,000	£ 2,144,110
Wokingham	-	£ 515,990	-	-	£ 515,990
Total Budget 2024/25	100.00%	£ 3,658,920	£ 291,000	£ 98,000	£ 4,047,920

- 5.24 Based on these uplift adjustments the budget has increased by 5.6% (excluding pressure bids). 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.
- 5.25 At the Committee meeting on the 7th November 2019 the Committee approved a methodology for local service reduction should any partner authority wish to propose this. The methodology recognised the nature of the partnership and the need to maintain 'agreed percentages' and cover the costs of shared resource with respect to core service delivery costs.
- 5.26 The proposed fees and charges for 2024/25 are set out in Appendix A. The fees comprise both discretionary and statutory fees and charges. The discretionary fees are based on a cost recovery model with an hourly rate set at £68.25. The statutory fees are included for ease of reference and will be updated in line with any published amendments.

Statutory consultations for variations to taxi and private hire vehicles and private hire operator fees will be undertaken in accordance with Sections 53 and 70 of the Local Government (Miscellaneous Provisions) Act 1976.

6. Concluding Observations

- 6.1 It is a key responsibility for the Committee to recommend a revenue budget including a fees and charges structure. The Committee also has a responsibility to keep under review the budget and consider the outturn and any variance.
- 6.2 The Joint Management Board has considered the budget. Whilst it remains the view that the integrity of the PPP is best maintained by delivering any savings collectively as has happened in previous years the methodology for local service disinvestment has been agreed should any Council determine a lower contribution than that set out at paragraph 5.22.
- 6.3 It has been a consistent view of Joint Management Board and Committee that cost recovery forms the basis of all decisions relating to the setting of discretionary fees and any other charges or cost recovery levied or otherwise to deliver the service e.g. recovery of court costs.
- 6.4 The recommendations aim to meet the requirements of the IAA, the approved priorities plan and current indicated budget position of the partners.

7. Appendices

- 7.1 Appendix A – Draft 2024/25 Fees and Charges

8. Background Papers:

- 8.1 None

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval



Wards affected: All Wards

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