
Pre-budget Setting Discussion

Committee considering report:	Joint Public Protection Committee
Date of Committee:	8 June 2026
Chair of Committee:	TBC
Date JMB agreed report:	18 May 2026
Report Author:	Moira Fraser
Forward Plan Ref:	JPPC

1. Purpose of the Report

- 1.1 To set out the framework for a discussion on the budget ahead of the October JPPC budget meeting at the request of the Committee.

2. Recommendations

The Committee:

- 2.1 **NOTES** the timeframes and methodology that underpin the budget and fee setting process.
- 2.2 **CONSIDERS** requests from the partner authorities with regard to the 2027/28 budget and fees and charges.

3. Implications and Impact Assessment

Implication	Commentary
Financial:	<p>Under the Inter-Authority Agreement, the JPPC is required to propose an annual budget to deliver the delegated public protection functions, and the service is accountable to the Committee for performance against that budget. This includes proposing a schedule of discretionary fees and charges in compliance with the prevailing statutory framework on fee setting.</p> <p>Notwithstanding the Committee's recommendations, each partner Council remains responsible for approving its own budget (including fees and charges).</p> <p>Fees comprise statutory fees where any variance is set by law or discretionary fees. In respect of the discretionary fees these are usually based on the principle of full cost recovery.</p>
Human Resource:	<p>The base budget funding that will be proposed to the Committee is that which will be required to maintain the current staffing structure.</p>

<p>Legal:</p>	<p>The IAA (Inter-Authority Agreement) that underpins the Partnership delegates responsibility for the strategic direction of the PPP to the Joint Public Protection Committee.</p> <p>It also sets out the requirement to provide a proposed budget, agreed percentages and fee structure to the partner authorities in time to feed into their budget setting cycle i.e. by the 30th November each year. The final proposal is therefore usually brought to the October JPPC meeting for members to consider.</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 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 authorities prior to recommendations being made to the Budget Council meetings of the two authorities.</p> <p>The partner authorities will also undertake any statutory consultations required in respect of their individual budgets.</p>
<p>Risk Management:</p>	<p>There are risks associated with service failure, reduced capacity, backlogs, inability to meet statutory timescales, increased complaints and scrutiny if the approved budget does not match the actual cost of delivering statutory and agreed functions.</p> <p>There is a risk of legal challenge and reputational damage, if fees are set outside legal parameters.</p> <p>There is a risk of perceived unfairness, which could lead to a strain in partnership relationships should the agreed percentage shares (or the basis for them) no longer reflect usage and demand.</p> <p>The budget setting process needs to take into consideration prudent inflation assumptions and assumptions around pay settlements, pension rates and supplier inflation to ensure that as far as is practicably possible the risk of in year overspends is reduced.</p>
<p>Property:</p>	<p>There are no property implications associated with this report although discussions about potential colocation with other services at the Theale Gateway Office are ongoing.</p>

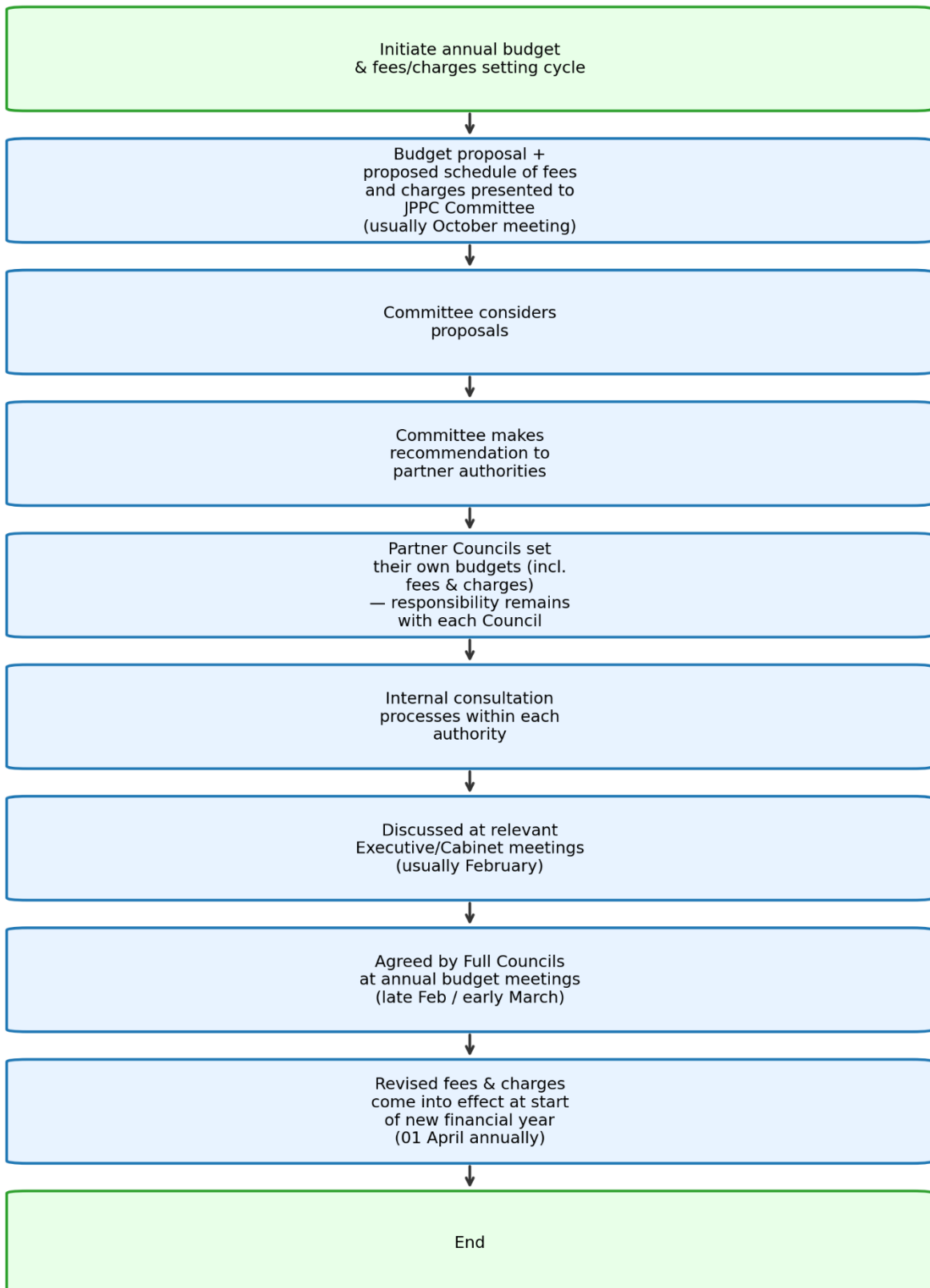
Policy:	<p>The Committee has responsibility for setting the strategic direction and policy of the PPP. This includes the maintenance of financial oversight to ensure sound financial management. More specifically the Committee has responsibility for recommending to the Councils a budget that meets its 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
Equity Impact Assessment:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		✓		There are no decisions being made. This report is designed to engender discussion ahead of the budget setting process.
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		✓		See above
Environmental Impact:		✓		Although 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 this report does not include any decisions that will impact on these functions.
Health Impact:		✓		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. This report does not include any decisions that will impact on these functions
ICT or Digital Services Impact:		✓		There are no ICT or Digital Service Impacts associated with this report.

PPP Priorities :		✓		As there are no decisions being made this report will not impact on the Services priorities as set out below: <ol style="list-style-type: none"> 1. Building Safer Communities 2. Improved Living Environment 3. Protecting Consumers from Fraud 4. Reducing Harm in Young People 5. Protecting and Informing Consumers 6. Protection of the Environment 7. Promoting Animal Welfare 8. Safety in the Workplace 9. Safe and Healthy Food Chain
Data Impact:		✓		As no decision is being made this report will not have an impact on data subjects.
Consultation and Engagement:	<p>The report will be subject to discussion in the partner authorities ahead of the June JPPC meeting.</p> <p>Any decisions on the budget and fees will be subject to internal consultation processes within the partners authorities later in the year.</p> <p>Any proposed variations to the Hackney Carriage and Private Hire Vehicles and Private Hire operators will be subject to statutory consultation.</p>			

4. Introduction

- 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 partner councils the Committee is required to allocate a budget on an annual basis for which the service will be held accountable by the JPPC.
- 4.2 The process for doing this is that a budget is proposed to the Committee along with a proposed schedule of fees and charges, usually at the October JPPC meeting in order to ensure compliance with the IAA deadline. The Committee considers the proposals and then makes a recommendation to partner authorities. At all times it remains the responsibility of the partner councils to set their own budgets including fees and charges, having received the recommendation of the Committee.
- 4.3 The proposals are then subjected to any internal consultation processes and are then discussed at the relevant Executive / Cabinet meetings (usually in February) before being agreed by Full Councils in late February or early March at the annual budget meetings. The revised fees and charges then come into effect at the start of the new financial year. i.e. 01 April annually.

Annual Budget, Fees & Charges - Decision Process (JPPC → Councils)



- 4.4 The total net revenue budget for the service is shared between the Councils in accordance with the agreed percentages each year. The functions that are delivered to each of the partner authorities are set out in the schedules attached to the agreements. For Environmental Health and Licensing the costs are broadly split 60/40 between West Berkshire and Bracknell and for those services shared with Wokingham the split is 40% (West Berkshire), 33% (Wokingham) and 27% Bracknell Forest.
- 4.5 The fees and charges schedule comprises both statutory and discretionary fees. The statutory fees are updated when any changes are announced by government. Discretionary fees are based on the hourly rate multiplied by the time taken to process an application. This hourly rate incorporates a range of factors including the wide variety of council support service costs, staffing and associated costs, democracy and governance, policy development, contracts, systems and the necessary training to maintain a competent workforce. The proposed fees are common in both Bracknell Forest and West Berkshire, and Wokingham where appropriate, as the service has a common cost base. The level of income is generally aligned across the two authorities.
- 4.6 The Service has a range of other income streams including grant and cost recovery for services provided in partnership with non-PPP partner councils. This work includes proceeds of crime, case management, petroleum, animal feed controls and a range of public health and community workstreams. These are possible because of the shared service arrangement and the ability to develop specialisms and critical mass.
- 4.7 At the October 2025 JPPC meeting during the discussion on the budget Councillor McCann highlighted the importance of ownership of the budget at a member level across the PPP. As part of this he suggested that a discussion be scheduled at the Committee meeting in June 2026 to discuss budget setting across the three local authorities.
- 4.8 The recent peer review had also identified that “The budget setting process for the PPP would benefit from greater clarity for the partners. Understanding amongst Executive members is inconsistent at present.”
- 4.9 This report has therefore been included on the agenda to provide a basis for Members to discuss the 2027/28 budget ahead of proposals being brought to the October meeting.

5. Budget Setting

- 5.1 The 2026/27 base budget included a recommendation that it be increased by approximately 6% to address an in-year budget pressure derived from unbudgeted for increase in National Insurance contributions, higher than anticipated salary settlement and some remaining income targets that would not be achievable.
- 5.2 The proposed budgets for the previous three years are set out below:

Authority	Proposed Net Revenue Budget 2026/27	Proposed Net Revenue Budget 2025/26	Proposed Net Revenue Budget 2024/25
Bracknell Forest	£1,467,350	£1,361,360	£1,233,603
West Berkshire	£2,271,120	£2,107,080	£1,909.327
Wokingham	£567,290	£526,310	£515,990
Total	£4,305,760	£3,994,750	£3,658,920

5.3 In considering 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.

5.4 The total budget required is then split based on agreed percentages:

Authority	% for 2026/27	% for 2025/26	% for 2024/25
Bracknell Forest	39.25 %	39.25%	39.25%
West Berkshire	60.75 %	60.75%	60.75%
Wokingham	*	*	*

5.5 * The process for setting Wokingham Borough Council's contributions is set out in the 2022 agreement.

5.6 The agreed percentages are reviewed annually and adjusted accordingly.

5.7 In addition to the general revenue budget there are a number of 'out of scope' budgets relating to grant funded functions. These include scams and victim support, public health and investigations. Sources of funding include the Department for Business, Energy and Industrial Strategy (BEIS) via National Trading Standards Board and Trading Standards South-East, public health and community safety funds including Police and Crime Commissioner funding. Where staff are engaged on this work their time is charged to these budgets.

6. Fee Setting

- 6.1 The PPP operates all its functions and services on the understanding that it will recharge for costs incurred where it is legally permissible to do so. As stated previously when it comes to fee setting the Service charges both discretionary and statutory fees.
- 6.2 An evaluation of service activity is undertaken annually to ensure that costs are properly identified and that any fees and charges passed onto residents and businesses are reasonable, accurate and up to date. The hourly rate is based on a series of calculations, using data from finance colleagues to assess internal recharges, officer salaries and associated costs, administrative support, management overheads, council support service costs, costs associated with democracy and governance, policy development, contracts, systems and the necessary training to maintain a competent workforce.
- 6.3 In December 2017 the 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:
- 2017/18 - £53
 - 2018/19 - £55 (increase of 3.8%)
 - 2019/20 - £57 (increase of 3.6%)
 - 2020/21 - £57 (0% increase)
 - 2021/22 - £59 (increase of 3.5%)
 - 2022/23 - £64 (increase of 8.5%)
 - 2023/24 - £67 (increase of 4.7%)
 - 2024/25 - £67 (0% increase)
 - 2025/26 - £69 (increase of 3%)
 - 2026/27 - £74 (increase of 7.2%)
- 6.4 Discretionary fees are set based on a calculation of time multiplied by the hourly rate. It is anticipated that as the IT system becomes more embedded in working practices time recording will be enhanced and more accurate.
- 6.5 Due to the timing of the fee setting process the partner authorities are contacted in advance to establish the corporate position in terms of fee setting. Historically the percentage increase has been linked to CPI as at the 01 September each year and historically set at CPI plus 2%. West Berkshire Council is currently undertaking a wide-ranging review of its fees and charges as part of the budget-setting process for 2027 onwards. This will include benchmarking existing fees and identifying any potential for new charges. Officers from the PPP have started to engage with the external providers undertaking the review.
- 6.6 In 2026/27 an in-depth review of the support service recharges was undertaken where it was established that they had fallen behind by 35% since the hourly rate was originally calculated and this increase was factored into the £74 (7.2%) increase.

- 6.7 Members are asked to consider the approach taken to fee setting and to comment on any factors to be taken into account for the 2027/28 financial year.

7. Asset Recovery Incentivisation Scheme

- 7.1 The PPP conducts criminal investigations as part of its broader enforcement remit. This work is funded from the service's revenue budget. Where financial benefit has been derived from criminal activity the Crown Court may confiscate assets from the guilty party. In the normal course of activities this money is paid in the form of compensation to victims. If criminal asset is recovered that is not for compensation purposes, then under the terms of the Asset Recovery Incentivisation Scheme a proportion is paid to the investigating / prosecuting authority. The proportions for each are 18.5% with some top slicing for administration of the scheme.
- 7.2 It is important that this money is kept separate from general revenue spend as not doing so or setting an income target would open the Service up to challenge about the intended purpose of any investigation / legal action. For this reason there is an approved policy on the use of these receipts that accords with the fundamentals of the ARIS scheme, The current iteration of the [Proceeds of Crime Act 2002 and Asset Recovery Incentivisation Scheme](#) (ARIS) was adopted at the October 2024 JPPC meeting and focuses on confiscation in the form of compensation for victims.
- 7.3 There is a separate cost centre to account for money spent and all monies received from the Home Office under ARIS in a reserve. For the reasons set out above there is no income target associated with the cost centre, thereby protecting its integrity for the purpose intended i.e. preventing, reducing and tackling crime. It is expected that the partner authorities can account for its use of incentive payments on an annual basis.

8. Concluding Observations

- 8.1 This report has been presented to support early and informed Member engagement in the budget and fee-setting process for the Public Protection Partnership (PPP) ahead of the formal 2027/28 proposals being brought to the Joint Public Protection Committee (JPPC) in October. It responds directly to issues raised by Members and findings from the recent peer review, both of which highlighted the need for greater clarity, transparency and shared ownership of the budget across partner authorities.
- 8.2 The budget setting process operates within a clear governance framework established by the Inter-Authority Agreement, with the JPPC responsible for recommending a budget and fees and charges, and individual partner councils retaining responsibility for final approval through their own internal decision-making processes. Understanding and acknowledging these respective roles is essential to ensuring effective member oversight and confidence in the arrangements.
- 8.3 The apportionment of costs between partner authorities continues to be managed through agreed percentages, which are reviewed annually to reflect service demand and activity. In parallel, the continued use of grant funding for specific out-of-scope functions helps to mitigate pressures on the core revenue budget where it is appropriate to do so.
- 8.4 Fee setting remains an integral component of maintaining financial sustainability. The long-standing principle of full cost recovery for discretionary fees provides a

transparent and defensible approach, ensuring that costs are not inappropriately subsidised by Council Tax payers.

- 8.5 Looking ahead to 2027/28, Members are invited to reflect on both the budget and fee-setting approaches, including the balance between affordability for residents and businesses, full cost recovery, and the ongoing need to invest in systems, training and service resilience.
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9. Appendices

- 9.1 None
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10. Background Papers:

- 10.1 Previous Budget papers.

Subject to Call-In:

Yes: No:

- | | |
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| The item is due to be referred to Council for final approval | <input type="checkbox"/> |
| Delays in implementation could have serious financial implications for the Council | <input type="checkbox"/> |
| Delays in implementation could compromise the Council's position | <input type="checkbox"/> |
| Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months | <input type="checkbox"/> |
| Item is Urgent Key Decision | <input type="checkbox"/> |
| Report is to note only | <input checked="" type="checkbox"/> |

Wards affected: All Wards

Officer details:

Name: Moira Fraser
Job Title: Principal Officer: Policy and Governance
Tel No: 01635 519045
E-mail: moira.fraser@westberks.gov.uk
