

<b>Report to:</b>	<b>LICENSING AND PUBLIC PROTECTION COMMITTEE</b>	
<b>Report of:</b>	<b>INTERIM ASSISTANT DIRECTOR REGULATION AND ENFORCEMENT AND CHIEF FINANCIAL OFFICER</b>	
<b>Date of Decision:</b>	<b>18 NOVEMBER 2020</b>	
<b>SUBJECT:</b>	<b>LICENSING AND PUBLIC PROTECTION – REVENUE BUDGET 2020/21</b>	

<b>1. Purpose of Report:</b>
<p>1.1 This report sets out the Licensing and Public Protection Committee’s Revenue Budget for the 2020/21 financial year.</p> <p>1.2 The report also details the approved savings programme for 2020/21.</p> <p>1.3 The report is in line with the current City Council established financial budgetary framework.</p>

<b>2. Decision(s) Recommended:</b>
<p>The Licensing and Public Protection Committee is requested to :</p> <p>2.1 Note the 2020/21 Revenue Budget Changes as detailed in Appendix 1.</p> <p>2.2 Note the 2020/21 Service and Subjective Budget in Appendix 2.</p> <p>2.3 Note the Budget 2020/21 to 2023/24 in Appendix 3.</p> <p>2.4 Note the 2020/21 budgeted employee establishment as detailed in Appendix 4.</p> <p>2.5 Note the latest 2020/21 Reserves position as detailed in Appendix 5.</p>

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### **3. Consultation**

#### **3.1 Internal**

The 2020/21 Revenue Budget has been reported to the Place Senior Management Team and the Interim Assistant Director of Regulation and Enforcement. Legal and Finance have also been consulted as required in line with the Council's framework.

#### **3.2 External**

There are no additional issues beyond consultations carried out as part of the Public Budget Consultation that was completed for 2020/21.

### **4. Compliance Issues:**

#### **4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?**

The budget is integrated with the Council Plan and Budget 2020+ and resource allocation is directed towards policy priorities.

#### **4.2 Financial Implications (Will decisions be carried out within existing finances and Resources?)**

This reports sets out the revenue and capital budget available, to deliver services which are the responsibility of Licensing and Public Protection Committee, during the 2020/21 financial year.

Budget monitoring reports, detailing financial performance against cash limits and any required actions, will be brought to Licensing and Public Protection Committee at regular intervals in 2020/21.

#### **4.3 Legal Implications**

Section 151 of the 1972 Local Government Act requires the Corporate Director Finance and Governance (as the responsible officer) to ensure proper administration of the City Council's financial affairs. Budgetary control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on directorates and members of Corporate Leadership Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on budgetary control for the specified area of the City Council's Directorate activities.

#### **4.4 Public Sector Equality Duty**

There are no additional specific Equality Duty or Equality Analysis issues beyond any already assessed and detailed in the budget setting process and monitoring issues that have arisen in the year to date. Any specific assessments will be made by the Directorates in the management of their services.

## 5. Relevant Background/Chronology of Key Events:

### Revenue Budget 2020/21

- 5.1 The City Council approved the overall budget on 25<sup>th</sup> February 2020. The Licensing and Public Protection Committee should note the original net revenue budget allocation of **£6.471m** (as detailed in Appendices 1, 2 and 3) and summarised below.
- 5.2 The City Council's Budget Strategy for 2020/21 is based on the following principles:
- There is 2.5% provision for pay award from April 2020.
  - General price inflation is 2% from April 2020.
  - The revenue and financial implications from capital expenditure programmes and equal pay are reflected in the long term budget.
- 5.3 Changes from 2019/20 Quarter 3 (reported to Committee 12 February 2020) to Original 2020/21 are summarised in the table below:

	<b>£'m</b>
<b>Revenue Budget 2019/20 (as at Quarter 3)</b>	<b>6.417</b>
<u>Changes to Existing Savings, Pressures and Use of Resources</u>	
<u>Full-year effect of previous year Savings and New Pressures</u>	
PL126 Management Restructure (full year effect)	(0.202)
Environmental Health Food Programme	0.300
Coroners and Mortuary establishment and volume pressures	0.400
<u>Budget Plan 2019+</u>	
Pay award and Price Inflation	0.182
<u>Technical Adjustments</u>	
Environmental Planning Officers (full year effect)	0.084
Assistant Director and Divisional Management	(0.046)
Mortuary Service	(0.490)
Street Trading Consent Service to Licensing *	(0.148)
Internal Restructure in Highways	(0.026)
* Some additional expenditure budget still to be transferred for Street Trading	
<b>Approved Budget 2020/21</b>	<b>6.471</b>

- 5.4 Service implications and subjective budget details are analysed in Appendices 1 and 2.
- 5.5 The budget from 2020/21 to 2022/23 is analysed in Appendix 3.

### Employee Budget 2020/21

- 5.6 The employee numbers for Licensing and Public Protection Committee are shown in the table below and detailed by service in Appendix 4

	<b>Employee FTEs 2019/20</b>	Env Planning Officers	New Pressures	Restructures	<b>Employee FTEs 2019/20</b>
LPPC	301.6	2.0	5.0	(4.0)	304.6

5.7 The WOC1 savings are part of the four-year savings programme approved for 2018/19 onwards. The final phase within the services that report to this committee will be met from non-employee budgets.

5.8 The new pressures awarded £0.300m (of which £0.275m covers staff) was awarded to increase the capacity in Environmental Health to meet the statutory food hygiene inspection programme in full, as required by the Food Standards Agency (and it acknowledges the increased workload that the legislation to control allergens in food has placed upon the council.

5.9 “PL126” is the management restructure, Phase 1 was implemented in 2019/20 with the final Phase 2 full year effect in 2020/21.

5.10 The Mortuary service has been restructured to be separate from the Coroners service and no longer part of the LPPC portfolio, reducing the establishment by 5.0 FTE

5.11 Street Trading Consent now forms part of the Licensing service (formally within the retail Markets) the 2.0 FTE is added to the LPPC establishment.

5.12 This leaves the employee establishment for 2020/21 at 304.6 FTEs.

### **Savings Programme 2020/21 Onwards**

5.13 The City Council has approved a Savings Programme from 2020/21 to 2023/24, based on the following principles:

- All planned step-up savings set out in the Financial Plan 2019+ have been reviewed and amended where necessary.
- Services have implemented further savings where necessary to compensate for local business issues.
- The impact of grant reductions or fall-out is borne by the services concerned, either through a reduction in the expenditure previously funded through grant or by compensatory savings.

5.14 The cumulative implications for the Committee are set out in the table below.

Service Area	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m
Pest Control	(0.008)	(0.008)	(0.008)	(0.008)
Register Office	(0.024)	(0.024)	(0.024)	(0.024)
Coroners Service	(0.013)	(0.013)	(0.013)	(0.013)
Trading Standards	(0.157)	(0.157)	(0.157)	(0.157)
<b>TOTAL</b>	<b>(0.202)</b>	<b>(0.202)</b>	<b>(0.202)</b>	<b>(0.202)</b>

- 5.15 All these savings relate to step ups from 2019/20 and only affect 2020/21 with no further step-ups planned.
- 5.16 The total savings are therefore £0.202m as also shown in Appendix 1 and Appendix 3
- 5.17 Licensing and Public Protection Committee savings for 2020/21 includes a wide range of components and will include the following actions to successfully deliver these savings:
- Delivering efficiencies on non-employee expenditure
  - Maximising the opportunities to generate additional income from services (including provision to other Local Authorities).

### **Grants**

- 5.18 Within Regulatory Services, there are two grant funded programmes: Illegal Money Lending and Regional Intelligence Team (RIT) (Scambusters).
- 5.19 The funding for Illegal Money Lending Team is £4.150m in 2020/21 and for RIT it is £0.320m.

### **Reserves**

- 5.20 The reserves are all ring-fenced and commence the year with a total £1.290m, as summarised in Appendix 5.
- 5.21 This is currently estimated for a net total of £0.352m of this balance to be utilised in 2020/21.

## **6. Evaluation of Alternative Option(s):**

- 6.1 During the course of 2020/21 the financial position will be closely monitored and reported, options identified to resolve budgetary pressures as necessary, and alternative savings proposals developed to meet new and emerging pressures.

## **7. Reasons for Decision(s):**

- 7.1 This report informs the Licensing and Public Protection Committee of the Revenue and Capital Budget for 2020/21.
- 7.2 The position in respect of the Licensing and Public Protection Committee's Savings Programme and the present risks identified in its delivery.

**Signatures**

Paul Lankester  
Interim Assistant Director Regulation and Enforcement .....

Rebecca Hellard  
Interim Director of Finance .....

Date .....

**List of Background Documents used to Compile this Report:**

- Licensing & Public Protection - Revenue and Capital Budget 2019/20 – 13 March 2019
- Licensing & Public Protection – Budget Monitoring 2019/20 – Quarter 1 – 13 September 2019
- Licensing & Public Protection – Budget Monitoring 2019/20 – Quarter 2 – 18 December 2019
- Licensing & Public Protection – Budget Monitoring 2019/20 – Quarter 3 – 12 February 2020
  
- Licensing & Public Protection – Outturn 2019/20 – 18 November 2020

**List of Appendices accompanying this Report (if any):**

- Appendix 1 – Analysis Revenue Budget Changes 2019/20 (Quarter 3) to 2020/21
- Appendix 2 – Service and Subjective Analysis of 2020/21 Budgets
- Appendix 3 – Budget 2020/21 to 2022/23
- Appendix 4 – Indicative Workforce Plan
- Appendix 5 – Reserves

<b>Report Version</b>	5.0	<b>Dated</b>	06 November 2020
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