

ABERDEEN CITY COUNCIL

COMMITTEE Housing and Environment

DATE 1 November 2011

DIRECTOR Pete Leonard

TITLE OF REPORT Revised charges for Environmental Health and Trading Standards

REPORT NUMBER:

1. PURPOSE OF REPORT

To propose increases in the charges for Environmental Health and Trading Standards services for 2012/13.

2. RECOMMENDATION(S)

(1) That the Committee agrees to apply the proposed charges set out in the Appendices A and C to this report.

(2) That the Committee agrees to the application of the statutory maximum fees for petroleum and explosives licensing when the Health and Safety (Fees) Regulations 2012 come into force in the new financial year.

(3) That the Committee agrees that fees for ships inspections are as suggested by the Association of Port Health Authorities, and that any changes in the fees recommended by the APHA are applied,

(4) That the Committee refers this report to the Finance and Resources Committee for approval

3. FINANCIAL IMPLICATIONS

It should be noted that many of the chargeable services that environmental health and trading standards provide are related to statutory functions, where the Council is the only supplier available to the Service user. For some service the fees are set by statute and for others national guidance on charges has been established to promote consistency between local authorities. There are some fees that are at the discretion of the council.

The principle of the Service is that fees and charges reflect the cost of provision of the service, and so are set in order to recover the costs incurred rather than generate revenue. Wherever possible, charges

are set to ensure full cost recovery. However, charges that are set by statute cannot be increased beyond the prescribed maximum, regardless of whether costs of service delivery are covered.

Environmental Health and Trading Standards annual income for chargeable services is approximately £320,000. Although the fees are being increased, Service income generation is demand-led rather than through provision of marketable services that can be promoted, and any decline in demand is outwith the Service's control and will lead to a drop in income. Income can also vary from year to year due to the fact that for some types of licence can run for two or more years rather than annually.

With the exception of Ships Sanitation Inspections and pest control work (for which demand is expected to remain the same), charged-for services constitute a very small part of the work of the service. This means that the impact of a decline in demand for any of the remaining services is unlikely to have a major impact on costs to the service in terms of loss of income or under-utilisation of existing staff. However, the situation will be monitored closely in order that any significant mismatch between income and capacity is detected quickly and addressed.

4. OTHER IMPLICATIONS

This report recommends higher charges for port health checks on illegal, unreported and unregulated fishing (IUU) certificates than were nationally agreed by the Association of Port Health Authorities (APHA) in 2009. The Environmental Health Service's experience is that these charges do not cover the true costs and accordingly a higher charge has been set.

5. BACKGROUND/MAIN ISSUES

Trading Standards

The Trading Standards Service collects fees and makes charges under the provisions of several statutes some of which enable the authority to set the amounts levied as it sees fit.

The Trading Standards fees and charges to which this report relates are provided for in:

- [a] The Weights and Measures Act 1985
- [b] Poisons Act 1972
- [c] Health and Safety at Work etc. Act 1974 and
Manufacture and Storage of Explosives Regulations 2005
- [d] The Petroleum (Regulation) Acts 1928 and 1936

Although the level of fees charged under [a] and [b] are at the discretion of the City Council, guidance is provided each year by the Local Authority Co-ordinating body on Regulatory Services (LACORS). The proposed fees generally follow LACORS guidance but are subject to some amendments to take account of local circumstances.

LACORS recommend that that an hourly rate for an inspector of weights and measures and/or a technical officer, as required, be applied instead. These hourly rates have been based on data from the 2009 Trading Standards Institute (TSI) Workforce Survey and they include salary, employer on-costs and capital and equipment costs elements which have been used to calculate the 'average' cost per hour for a weights and measures inspector and a technical officer.

In relation to [c] and [d], the Health and Safety (Fees) Regulations setting the maximum fees authorities can charge are published every year. It is anticipated that revised Fees Regulations will be issued in the Spring of 2011, and will apply once the new regulations commence from the beginning of the next financial year. In previous years the service has applied the statutory maximum fee for all of the relevant services, and it is intended to do the same for 2011/12. Based on previous years revisions, charges are unlikely to increase significantly.

The proposed fees are set out in Appendix A to this report are in relation to:

- [a] Schedule 1 – Weights and Measures Fees and Schedule 2 – Poisons Fees with effect from 5th April 2010.
- [b] Schedule 3 – Explosives Fees & Schedule 4 – Petroleum Fees. (These are subject to statutory control and it is recommended these remain at the maximum prescribed or as set by regulation.)

Background to the proposed Trading Standards charges is given in B to this report

Environmental Health Service

As with Trading Standards, the level of many Environmental Health fees and charges are at the discretion of the council. The intention has always been that the fees recovered should cover the service costs in terms of officer time. In recent times, fees have been increased at the rate of inflation, and have not always taken into account increased officer time, especially where new legislation or enforcement guidance results in tasks taking up more officer time. In the last year, professional officer costs have increased due to the outcome of job evaluation, and some charges have been increased to reflect this.

Illegal, unreported and unregulated fishing (IUU) certificate charges were provisionally set in 2009 on a cost recovery basis by the Association of Port Health Authorities (APHA) and were due to be reviewed by April 2010 and revised if necessary. No review has taken place so far, and local experience has shown the charging to be far too low to cover the service's costs in carrying out IUU certificate checks. Accordingly, it is proposed to increase the charge to properly reflect the officer time and other resources involved.

Ships sanitation inspection charges are agreed nationally by the Association of Port Health Authorities. Unlike the IUU charges, these charges do reflect the costs to the service and it is proposed that these continue to be adopted.

For pest control services, the principal is that charges should cover costs. Accordingly, due to the cost of treatments for some specific insect pests the charges have been raised to meet the costs incurred although these are still competitive when compared to the private sector.

The majority of the other charges have simply been increased in line with inflation. Where VAT is applicable this will naturally result in an increased cost to the service user.

Details of the proposed Environmental Health charges are given in Appendix C to this report.

6. IMPACT

The Environmental Health and Trading Standards Service contributes to the national priorities of Wealthier and Fairer, Safer and Stronger, Healthier, and Greener.

The Environmental Health and Trading standards Service works towards the Community Plan's vision of:

- People who live and work in Aberdeen will have access to services of a high quality that meet their needs.
- Aberdeen will be an attractive, clean, healthy and safe place to live and work, and a City that is welcoming to business and values its business community

The Environmental Health and Trading standards Service proposals for charges links with the Councils 5 year Corporate Business Plan key aim of ensuring efficient and effective delivery of services by the Council. Fees for chargeable services should be realistic and reflect the costs of delivering those services in order to minimise the risk of the chargeable services being subsidised by budgets allocated to non-

chargeable statutory environmental health and trading standards services.

7. BACKGROUND PAPERS

Association of Port Health Authorities website
<http://www.porthhealth.co.uk/>

LACORS guidance on weights and measures fees
<http://www.lacors.gov.uk/lacors/upload/25778.doc>

Health and safety (Fees) Regulations 2011 and information regarding forthcoming 2012 Regulations
<http://www.legislation.gov.uk/uksi/2010/579/contents/made>
<http://www.hse.gov.uk/legislation/sectionc.htm>

8. REPORT AUTHOR DETAILS

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