

Committee(s): Port Health and Environmental Services	Date(s): 25 September 2018
Subject: Section 101 Agreement with Thurrock Council	Public
Report of: Director of Markets & Consumer Protection	For Decision
Report author: Gavin Stedman, Assistant Director (Port Health)	

Summary

The report seeks authorisation to enter into an agreement made under s.101 of the Local Government Act 1972 between the City of London Corporation (as the London Port Health Authority) and Thurrock Council. The agreement seeks to enable City of London Officers to undertake imported food and feed controls, and enforce other Environmental/Public Health legislation, within the DP World Logistics Centre, Stanford-le-Hope, Essex, adjacent to London Gateway Port.

Recommendation(s)

Members are asked to:

- Authorise the City of London Corporation to enter into an agreement under the provisions of s.101 Local Government Act 1972 with Thurrock Council as outlined in this report.
- Authorise the Director of Markets & Consumer Protection, in consultation with the Comptroller & City Solicitor to negotiate and settle the final form of agreement with Thurrock Council, including specific legislation, charging regimes and termination arrangements.

Main Report

Background

1. The Port Health Service is part of the Port Health and Public Protection Division, which sits within the Markets and Consumer Protection portfolio. The main function of the team is to carry out import controls, in its capacity as the London Port Health Authority (LPHA), for food and feedstuff entering the country from outside the EU. In addition, the Service undertakes a number of other statutory and ceremonial duties.

2. The LPHA is responsible for a district extending for 94 miles along the River Thames from Teddington to the outer Estuary. The area includes the new London Gateway port together with the ports of Tilbury, Purfleet, Thamesport and Sheerness. The area also includes London City Airport as well as the various docks and dockland areas which have now been redeveloped.
3. In 2017, 184,208 consignments of food arrived at the ports of London Gateway and Tilbury. 174,317 of these were Products Not of Animal Origin (NAO) with the remaining 9,891 being Products of Animal Origin (PoAO). The overall numbers of imported food consignments compared to the previous year have increased by nearly 7% due to the growth in trade at London Gateway.
4. The growth continues at a greater pace in 2018 with NAO throughput (January to July) 32% higher than the same period in 2017. The throughput between January and June 2018 was greater than the total throughput for 2015. POAO throughput for the same period is 13% higher than the same period in 2017.
5. In addition to its imported food responsibilities, LPHA also has responsibility for Animal Feeding Stuffs, Shellfish Classification, Infectious Disease Control, Food Hygiene, Pollution Control and Pest Control.
6. Section 101 of the Local Government Act 1972 allows local authorities to arrange for the discharge of any of their functions by any other local authority. In certain circumstances this can work to the mutual advantage of both authorities.

Current Position

7. Currently food and feed imported into the UK from a third country is subject to Official Controls relevant to the risk that the food or feed represents; risk includes the type of product, country of origin, volume imported and previous history. These products must be imported through a Designated Port of Entry and for high risk products must be checked in a Border Control Post, which are within the Customs Boundary. The area outlined in green in Appendix 1: Plan of DP World London Gateway Port, highlights the area within which the LPHA is authorised to undertake Official Controls.
8. EU Products are not currently subject to Official Controls, but this may change depending on the outcome of the Brexit negotiations.
9. The Port Health Service has been approached by both the Port Operator and a number of businesses to consider whether the LPHA could undertake food and feed controls, and other Environmental Health enforcement in the DP World Logistics Park (Appendix 2). The Port Health Service already undertakes this work within the Port of Tilbury.
10. For businesses it means that they will have access to their goods sooner, reducing port storage costs as well as having control of the supply chain and a single source for advice from import, through processing to dispatch. For the Port Operator it supports the viability of the DP World Logistics Park, provides

additional capacity and aids the swift movement of containers through London Gateway Port.

11. The proposals have been discussed with Thurrock Council officers, who confirmed on the 12th September 2018 that they have permission to enter in to a s.101 Agreement to enable City Corporation officers to enforce relevant legislation within the DP World Logistics Park.
12. Initial discussions with appropriate government departments and agencies have taken place regarding the potential for imported food and feed controls to be undertaken outside of the Customs Boundary. There are a number of examples of where this arrangement has been allowed, one in the UK and one in the Netherlands. These discussions now need to be formalised.

Options

13. Maintain current arrangements – continue undertaking food and feed controls within the Customs Boundary and recovering our costs, where possible, for undertaking this work. This does not support the Port Operator or the Importers in providing an efficient and cost-effective food supply chain. If changes to the legislation allow imported food and feed to be checked outside of the Customs Boundary, Thurrock Council (or another Local Authority under a s.101 agreement) could develop a resource to undertake the functions in the DP World Logistics Park, which could result in a loss of work and income if Importers choose for their products to be checked in the Logistics Park. This approach would mean that the Port Operator and Agents would need to communicate with two regulatory bodies, which raises concerns of consistency and knowledge of the imported product.
14. Enter into the s.101 agreement with Thurrock Council, which will allow the Port Health Service to undertake Environmental/Public Health Controls within the DP World Logistics Park. This supports the Port Operator in encouraging new business to the area and developing existing businesses. Both the Port Operator and numerous businesses have expressed their desire for a single point of contact for all regulatory issues relating to food and feed. This approach supports a cost-effective food supply chain. In addition, if changes to the legislation allow imported food and feed to be checked outside of the Customs Boundary, the Port Health Service will be in a good position to undertake this work.

Proposals

15. To delegated authority to the Director of Markets & Consumer Protection, in consultation with the Comptroller & City Solicitor, to negotiate and settle the final form of agreement with Thurrock Council, including specific legislation, charging regimes and termination arrangements.
16. Subject to section 15, to enter into an agreement made under s.101 of the Local Government Act 1972 between the City of London Corporation and Thurrock Council for authorised officers of the City Corporation to discharge Thurrock

Council's functions relating to imported food and feed controls, and other Environmental/Public Health controls.

17. Continue discussions with relevant government departments and agencies to enable controls on imported food and feed to take place outside of the Customs Boundary, but under a strict procedure.

Corporate & Strategic Implications

18. There are no Corporate and Strategic Implications

Financial Implications

19. Initially the functions will be undertaken within the existing Port Health Service resource.
20. If the relevant government departments and agencies agree that imported food and feed controls can be undertaken outside of the Customs Boundary, then there may be an opportunity to provide an 'added value' service, such as booked inspections, which would potentially generate further income for the service.
21. It is likely that the staff resource will need to grow to meet the increases in throughput, any changes in legislation and potentially as a result of Brexit. It is anticipated that these implications will be addressed through commensurate increases in income.

Conclusion

22. Entering into a s.101 agreement with Thurrock Council to undertake food and feed controls, and other Environmental/Public Health controls within the DP World Logistics Park will support the Port Operator and businesses in providing a reliable, efficient and cost-effective food supply chain, whilst protecting public, animal and environmental health.
23. In addition, the agreements will allow the Port Health Service to develop 'added value' services, to meet the increases in throughput and minimise the impact of a 'hard' Brexit.

Appendices

- Appendix 1 – Plan of DP World London Gateway Port
- Appendix 2 - Plan of DP World Logistics Park

Background Papers

Committee Report – Impact of the UK leaving the EU (Brexit) on Port Health & Public Protection. 19th September 2017.

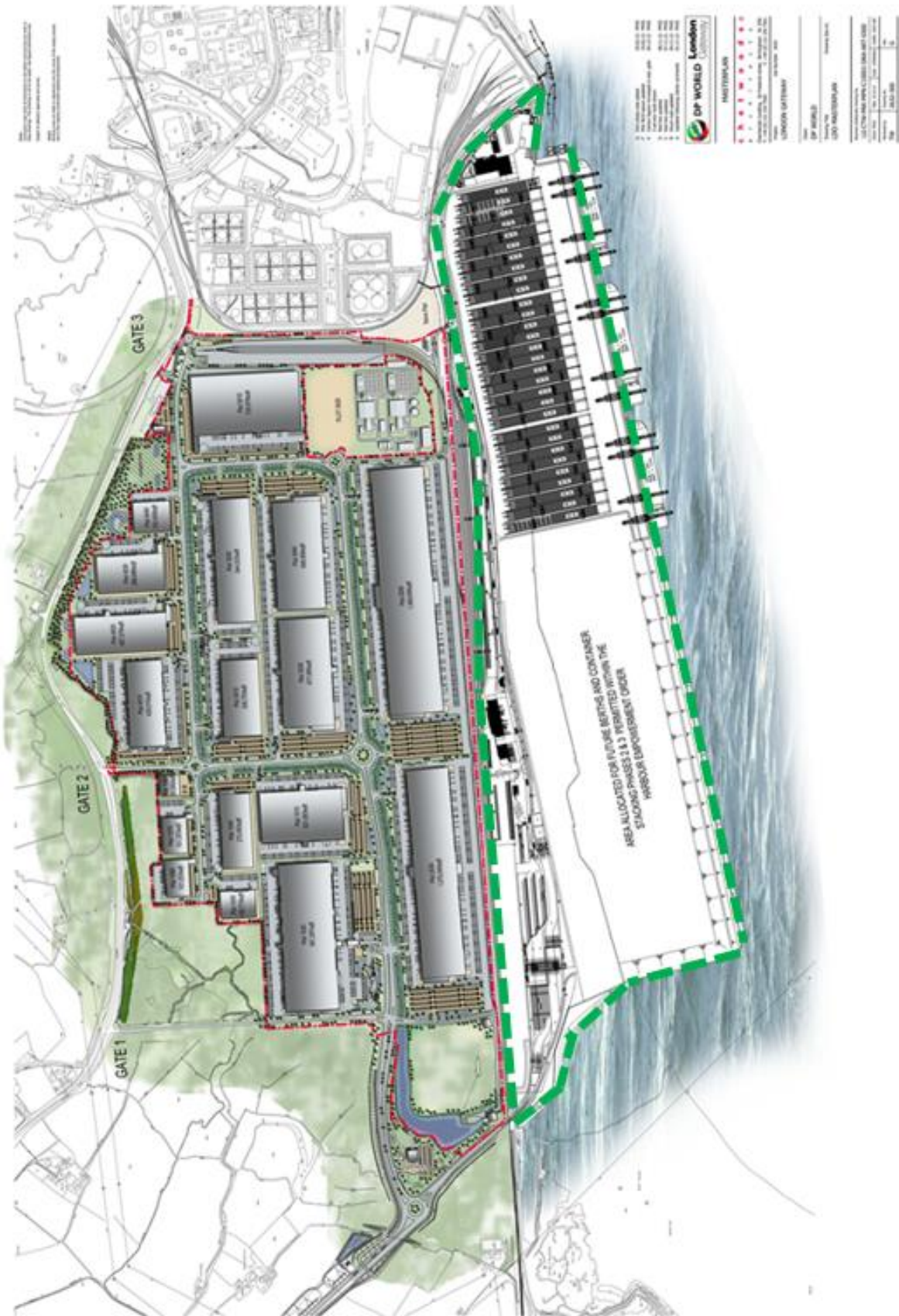
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Appendix 1: Plan of DP World London Gateway Port



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Appendix 2: Plan of DP World Logistics Park

DP World Logistics Park

