

Committee:	Date:
Licensing Committee	5 February 2020
Subject: Revenue Budgets and High-Level Summary Business Plans 2020/21	Public
Report of: The Chamberlain Director of Markets and Consumer Protection	For Decision
Report author: Jenny Pitcairn, Chamberlain's Department	

Summary

This report presents for approval the revenue budgets for the Licensing Committee and final high-level summary Business Plan for the Department of Markets and Consumer Protection for 2020/21.

Overall the proposed revenue budget for 2020/21 totals (£135k), an increase in net expenditure of (£10k) compared to the 2019/20 Original Budget.

Recommendation

Members are asked to:

- i) review and approve the proposed revenue budget for 2020/21 for submission to the Finance Committee;
- ii) authorise the Chamberlain, in consultation with the Director of Markets and Consumer Protection, to revise these budgets to allow for any further implications arising from Corporate Projects, other reviews and changes to the Cyclical Works Programme;
- iii) agree that minor amendments for 2019/20 and 2020/21 budgets arising during budget setting be delegated to the Chamberlain;
- iv) note the factors taken into consideration in compiling the Business Plan of the Department of Markets and Consumer Protection, including efficiency measures; and
- v) approve, subject to the incorporation of any changes sought by this Committee, the final high-level summary Business Plan for 2020/21.

Main Report

Background

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level, 2-side Business Plans for the first time in 2017 for the 2018/19 year. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department.

2. For 2020/21, the high-level summary Business Plan has been further evolved to make use of the information now available and give a better overview of how the department's work contributes to the Corporate Plan. It provides an overview of departmental activity and resources, mainly but not limited to the forthcoming 12 months, including capital and revenue projects. As a high-level summary, this document does not capture the granularity of departmental work but gives the overall picture of departmental activity, customer feedback, trends where applicable and direction of travel.
3. For the first time in 2020/21, high-level summary Business Plans are being brought forward alongside budget estimates, pending full integration of the processes for 2021/22, to inform medium-term financial planning and the development of spending priorities. This report therefore presents the budget and draft final high-level summary Business Plans together as appendices.

Proposed Revenue Budget for 2020/21

4. This report presents, at Table 1, the provisional 2020/21 budget for your Committee and under the control of the Director of Markets and Consumer Protection, analysed between:
 - **Local Risk Budgets** – these are budgets deemed to be largely within the Chief Officer's control.
 - **Support Services and Capital Charges** – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
5. The budget has been prepared within the resources allocated to each Director.
6. Income, increases in income, and reductions in expenditure are shown as positive balances, whereas brackets will be used to denote expenditure, increases in expenditure, or reductions in income. Only significant variances (generally those greater than £10,000) have been commented on.

Table 1 Summary Revenue Budgets 2019/20 and 2020/21	Original Budget 2019/20 £'000	Latest Budget 2019/20 £'000	Original Budget 2020/21 £'000
Local Risk Expenditure	(734)	(751)	(783)
Local Risk Income	736	736	770
Total Local Risk	2	(15)	(13)
Support Services and Capital Charges	(127)	(114)	(122)
Total Net Expenditure	(125)	(129)	(135)

7. Appendix 1 provides details on budget movements between the 2019/20 original budget and 2019/20 latest budget. Overall, the 2019/20 latest budget is net expenditure of (£129k), an increase in net expenditure of (£4k) compared to the 2019/20 original budget.
8. Appendix 2 provides details on budget movements between the 2019/20 latest budget and the 2020/21 proposed budget. Overall, the proposed 2020/21 budget is net expenditure of (£135k), an increase of (£6k) in net expenditure compared to the 2019/20 latest budget.
9. Table 2 below provides a further analysis by licence type, illustrating the degree to which costs are anticipated to be recovered through fees. Where fees are locally set, the net cost will normally be zero except where income is limited by statutory maximum fees.

Table 2 Budgets by Licence Type	Original Budget 2019/20 £000	Latest Budget 2019/20 £000	Original Budget 2020/21 £000
Late Night Levy ¹			
Expenditure	(145)	(145)	(145)
Income	145	145	145
Total Late Night Levy	0	0	0
Gambling Act			
Expenditure	(34)	(34)	(19)
Income	26	26	16
Total Gambling Act	(8)	(8)	(8)
Tables & Chairs			
Expenditure	(115)	(115)	(115)
Income	115	115	115
Total Tables & Chairs	0	0	0
Massage & Special Treatment			
Expenditure	(39)	(39)	(59)
Income	39	39	59
Total Massage & Special Treatment	0	0	0
Premises, street trading and other ²			
Expenditure	(578)	(600)	(635)
Income	461	479	503
Total Premises, street trading & other	(117)	(109)	(132)
OVERALL TOTAL	(125)	(129)	(135)

¹ Including administration costs

² The costs relating to premises (excluding Late Night Levy) and street trading are not separately identified at present. This category also includes any non-recoverable costs, as well as fully funded enforcement on the City's Bridges.

Staffing Statement

10. Table 3 overleaf shows the movement in manpower and related staff costs.

Table 3 Staffing Statement	Original Budget 2019/20		Original Budget 2020/21	
	Manpower Full-time Equivalent	Estimated Cost £'000	Manpower Full-time Equivalent	Estimated Cost £'000
Total Licensing	9.5	(582)	9.8	(627)

Draft final high-level summary Business Plan for 2020/21

11. This report presents, at Appendix 3, the draft final high-level summary Business Plan for 2020/21 for the Department of Markets and Consumer Protection. A separate detailed Licensing Business Plan will be submitted to the April meeting of your Committee for approval.
12. This section outlines the following:
 - the factors taken into consideration in compiling the high-level Business Plan, and
 - initiatives, programmes and projects identified through the Fundamental Review to be developed and delivered along with the expected timescales for doing so.
13. The Department of Markets and Consumer Protection (M&CP) provides a comprehensive and effective Environmental Health, Trading Standards, and Licensing service for the City of London, ensuring that, through monitoring, regulation and enforcement, City residents and businesses can enjoy an environment and services which are, so far as possible, safe and without risks to their health or welfare. As London Port Health Authority, the Port Health Service provides imported food control and the Animal Health & Welfare Service provides the animal health service for London, including the Animal Reception Centre at Heathrow, and undertakes animal health work for local authorities in London and Berkshire.
14. The Licensing Service is responsible for ensuring that all City businesses hold the appropriate licences and registrations and comply with the rules and conditions appertaining to those licences.
15. The Priorities in the high-level Plan are focused on the need to continue to deliver these statutory regulatory services in an efficient and compliant manner, while looking to maximise opportunities to generate income.
16. As part of our Plan we will undertake a review of professional boundaries for specialist officers and the feasibility of introducing a Variable Grade Scheme to ensure that duties are undertaken by an appropriate officer at the right level. This would also enable officers to work across different teams and require a competency framework across the Department/City where skills can be brought together for specific tasks or projects.

17. Proposals identified under the Fundamental Review that will be implemented in 2020/21 include:
- a. Increased income generation at Heathrow Animal Reception Centre; arrangements for this are already in place.
 - b. Review of professional boundaries and Flexible Grade Scheme, referred to in paragraph 16, to be carried out during 2020/21 with a view to implementation in 2021/22.
 - c. To develop, and pilot for 12 months, a “Primary Authority Hub” for Port Health, Public Protection (Environmental Health and Trading Standards) and Animal Health utilising existing administrative support resources.

Corporate & Strategic Implications

18. M&CP has reviewed the alignment of its activities with the outcomes in the Corporate Plan. The Department’s activities contribute to nine of the twelve corporate outcomes with the majority supporting:
- 1. People are safe and feel safe.
 - 6. We have the world’s best legal and regulatory framework and access to global markets.
 - 9. We are digitally and physically well-connected and responsive.

Public sector equality duty

19. M&CP is committed to complying with the Equality Duty and considers all individuals when carrying out their day-to-day work in shaping policy, in delivering services and in relation to their own employees. We are carrying out the Equality, Diversity and Inclusion self-assessment that will identify gaps in our monitoring and an improvement plan to address those gaps will be developed which will be aligned to the Corporate Equality and Inclusion Plan.
20. M&CP managers will work with our HR Business Partner to look at increasing the diversity of our staff in higher grades, particularly focusing on women, race and disability that are significantly under-represented in Grade G and above posts within the department.

Conclusion

21. This report presents the proposed budgets for the Licensing Committee and final high-level summary Business Plan for 2020/21 for the Department of Markets and Consumer Protection, for Members to consider and approve.

Appendices

- Appendix 1 – 2019/20 Original Budget to 2019/20 Latest Budget
Appendix 2 – 2019/20 Latest Budget to 2020/21 Original Budget
Appendix 3 – Final high-level summary Business Plan 2020/21 – Department of Markets and Consumer Protection

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