

HEALTH PERFORMANCE IMPROVEMENT COMMITTEE – 2 December 2003

LICENSING AND REGULATION COMMITTEE – 14 January 2004

ENVIRONMENTAL HEALTH SERVICE BUDGET 2004/05

REPORT OF THE DIRECTOR OF HEALTH AND HOUSING

Contact Officer: Richard Botham Tel No: 01962 848421 Email: rbotham@winchester.gov.uk

RECENT REFERENCES:

CAB676 Financial Strategy 2004/05 to 2008/09 16 July 2003
CAB718 Revenue Budget 2004/05 15 October 2003
CAB726 Corporate Strategy 2004/07 15 October 2003
HE16 Environmental Health Budget 2004/05 21 October 2003

EXECUTIVE SUMMARY:

This report provides a summary of the Environmental Health Service's base budgets for this year and next. The 2004/05 budget is £4,338,830 and is thus within the ceiling of £4,366,790. The principal changes in the budget relate to inflation for contracted services and salaries.

Growth proposals previously considered by this Committee, totalling £235,000 revenue and £215,000 capital expenditure, are not included in the base budget but are shown for information in the report.

RECOMMENDATIONS:

- 1 That the detailed budget for 2004/05 and revised budget for 2003/04 be considered and recommendations made to Cabinet.
- 2 That Licensing and Regulation Committee approve the revised Animal Licensing charges as recommended in paragraph 4.2 a)

HEALTH PERFORMANCE IMPROVEMENT COMMITTEE – 2 December 2003

LICENSING AND REGULATION COMMITTEE – 14 January 2004

ENVIRONMENTAL HEALTH SERVICE BUDGET 2004/05

Report of the Director of Health And Housing

DETAIL:

1 Introduction

1.1 The Council's financial strategy set out in report CAB676 dated 16 July 2003 gave guidance on the review of existing budgets. The principles agreed by Cabinet were:

- a) A balanced revenue budget (within a margin of £0.5m)
- b) Nil net base budget growth
- c) Inflation allowance for salaries and third party contracts only
- d) Prudent approach to income estimates
- e) A net overall underspend at year end
- (a) A presumption in favour of revenue over capital income

1.2 At the meeting on 15 October Cabinet gave initial consideration to the revenue budget for 2004/05 in the light of the financial strategy and the revised corporate strategy (reports CAB718 and CAB726). At that meeting Cabinet resolved:

That Performance Improvement Committees be asked to consider in the forthcoming cycle of meetings:

- a) *Proposals for growth and savings, including the relative priorities of proposals*
- b) *Proposals for fees and charges*
- c) *Balances and forward programmes for reserves*

1.3 The Central Services Performance Improvement Committee considered these items at its meeting on 28 October and gave a considered response to Cabinet, prioritising the growth items and commenting on the savings.

1.4 Some further options for reducing growth bids have been put forward for consideration by Performance Improvement Committees when considering detailed budgets in this committee round. These further options are included in Appendix C of this report.

2 Revised Budget 2003/04

- 2.1 Appendices A and B give objective and subjective summaries of the budget for Environmental Health Services. There are changes between the original budget for this year and the revised budget that are accounted for principally by the one off carry forward items agreed at the June meeting of this Committee (HE13 dated 3 July 2003 refers).

3 Revenue Budget 2004/05

- 3.1 The budget ceiling for Environmental Health Services for 2004/05 has been calculated as follows:

	£
2003/04 Original Budget	£4,324,940
Add net inflation	£97,590
Add increase in salary ceiling	(£19,050)
Add other allowable changes	£20,000
Less savings/income	0
Less net change in capital financing charges	(£32,320)
Less net change in management overheads	(£24,370)
2004/05 Budget Ceiling	£4,366,790
2004/05 Budget	£4,338,830
Net Under Ceiling	£27,960

- 3.2 The base budget for 2004/05 is £4,338,830, £27,960 under the ceiling. The ceiling takes account of salary inflation, provision for inflation increases to the contract services provided under the Depot Contract and the increase in property numbers included within the Refuse and Recycling services. It should be noted that whilst the budget 2004/05 is £27,960 under the ceiling, early retirement costs which will need to be met in April have yet to be finalised and have not been included at this stage.
- 3.3 None of the growth or savings items considered in report HE16 have been included in this budget projection. Cabinet will decide in due course which options will be incorporated into the detailed departmental budgets when the final Revenue Support Grant settlement is known and the effect of all growth and savings proposals on the overall budget can be assessed.

4 Growth and Savings Proposals

- 4.1 The growth items for Environmental Health were considered by this PIC at the last meeting and these are summarised below. Appendix C also includes the items where there could be potential for reducing overall growth bids as discussed in paragraph 1.4 above. Details of the growth proposals include:

- a) Dog Control – £10,000 per annum - Contribution towards the costs of establishing a county wide partnership to provide out of hours collection of strays in response to Hampshire Police no longer accepting responsibility for this. However, as detailed in Appendix C, this item may not be funded.
- b) Trunk Road Cleansing - £25,000 per annum – The cost of undertaking additional specialist cleaning twice annually in line with current safety standards. However, as detailed in Appendix C, consideration may be given to reducing this frequency to once annually and therefore reducing the funding required to £15,000 per annum.
- c) Recycling Pilot - £200,000 revenue and £100,000 capital – Subject to a report to the January meeting of this Committee
- d) Air Quality Monitoring Equipment - £115,000 – Capital provision to update air quality monitoring equipment

4.2 Whilst no direct savings proposals for Environmental Health Services are proposed, additional fees and charges are recommended, as detailed below:

- a) Animal Licensing/Dog Control - £10,000 of additional income can be raised. An additional £7,000 has been included in the budget to take account additional income that will arise next year as part of the normal delivery of the service. Zoo licence income was not incorporated in the 2003/04 budget and additional dog control income arising from enforcement visits will be recovered. It is also proposed to increase animal licensing fees. These currently cover Vets fees and administration but do not take account of officer time. The Council has powers to recover all “reasonable costs” and most other councils recover officer costs. On average, administering the licensing process takes approximately two hours per application and the revised fees recommended below take account of this. A comparison of fees with other Hampshire authorities is included as appendix D to this report and recommended fee increases are included in the table below:

Licence	Current Fee	Proposed Fee
Animal Boarding	£80.79	£131
Dog Breeders	£64.61	£111
Pet Shops	£59.24	£103
Riding Establishments	£10.66 per horse (£250max)	£40 +Vets Fee

- b) Contaminated Land Charges – Contaminated land advice provided to commercial concerns is currently subject to a charge of £45 for each request. Providing advice (including background research) can take up to two hours for an Environmental Health Officer and it is therefore proposed that the fee

be increased to £65 to reflect this. This increase would result in additional income of approximately £800-£1000 per annum.

- c) Water Supply Monitoring Charges – Residents on private water supplies are currently charged a fee for each monitoring visit based on the cost of analysis with a small allowance for inflation. However, this takes no account for the officer time spent on the process. The Council has the power to charge a maximum fee of up to £125 + the analysis fee per visit. Such a charge would result in over recovering the cost of officer time. However, it is considered appropriate to introduce a standard charge of £50 per visit (based on approximately two hours for an Environmental Protection Officer) plus the analysis fee. This would result in additional income of approximately £4,000 and would more accurately reflect the cost of the process. Residents could choose to use other agencies to test supplies, although charges are likely to be nearer the statutory maximum and no significant loss of work is anticipated by the introduction of this charge.

OTHER CONSIDERATIONS:

5 CORPORATE STRATEGY (RELEVANCE TO):

- 5.1 The need to make the best use of all available resources by continued clear financial planning within the City Council is an integral part of the Corporate Strategy.

6 RESOURCE IMPLICATIONS:

- 6.1 As detailed in the body of the report.

BACKGROUND DOCUMENTS:

Working papers in the Finance Department

APPENDICES:

- Appendix A Environmental Health Services – Summary of Service Budgets
Appendix B Environmental Health Services – Summary of Subjective Budgets
Appendix C Further Budget Savings Options 2004/05
Appendix D Animal Licensing Charges – Hampshire Comparisons