

REGULATORY SERVICES BUSINESS ADVICE CHARGING POLICY

COUNCILLOR IRENE WALSH, CABINET MEMBER FOR COMMUNITIES

MAY 2017

Deadline date: N/A

Cabinet portfolio holder: Responsible Director:	<u>Councillor Irene Walsh, Cabinet Member for Communities</u> John Harrison, Corporate Director Resources
Is this a Key Decision?	NO
Is this decision eligible for call-in?	NO
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	NO

R E C O M M E N D A T I O N S

The Cabinet Member is recommended to approve the adoption of Regulatory Services Business Advice Charging Policy.

1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks approval to implement a policy enabling Regulatory Services to charge businesses for services provided to them, subject to criteria set out in the policy. Though some services are currently payable others are not, the policy would therefore make new areas of service delivery chargeable on a cost recovery basis, particularly for medium and small businesses, or speculative business operations. The policy would cover matters such as advice on consumer product labelling, licence applications, manufacturing/processing operations, and importation requirements. The policy outlines a balanced approach whereby businesses are still able to obtain a level of basic compliance advice and signposting before a service becomes chargeable.

2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Communities to consider exercising delegated authority under paragraph 3.4.3 and 3.4.4 of Section 3 of the constitution in accordance with the terms of their portfolio at paragraph (c).

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. DETAILS OF DECISION REQUIRED

- 4.1 Approval is sought to implement the adoption of the Regulatory Services Business Charging Policy.

5. CONSULTATION

- 5.1 This is a non- key decision with cabinet member and director support for adoption of the policy. Consultation has taken place with councils that have adopted a similar policy and they have reported a positive impact post implementation. Businesses with existing Primary Authority Partnerships under the statutory scheme with Peterborough report back how valuable the arrangements are, enabling them to receive assured advice.
- 5.2 Government departments continue to explore charging for service delivery, expanding on the policy adopted by the Health and Safety Executive. Peterborough City Council are already piloting for the Food Standards Agency a charging model for food hygiene rating scheme re-inspections following their request for pilot authorities in 2016. There is a clear direction of travel towards enabling 'regulators' to recover costs from those they regulate although there are still restrictions on profit generation and the proposed policy is sensitive to that requirement.

6. ANTICIPATED OUTCOMES

- 6.1 It is anticipated that approval for adoption of the policy will be given. This will enable the recovery of costs incurred for additional services over and above those which are currently chargeable, i.e. licensing, weights and measures testing, and Primary Authority Partnerships in line with the policy.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

- 7.1 Councils continue to operate in a financially challenging environment with service transformations and innovation necessary to enable valuable public services to be sustainable. Regulatory Services not only protect the safety and welfare of the public but also legitimate businesses from those that choose to use illegal means to gain an unfair advantage. With a complex regulatory framework in this country high quality advice and support can be the difference between a new business getting off the ground, an existing business being successful or a multinational business avoiding trading practices which have both a significant reputational and financial cost to them.
- 7.2 The policy is recommended as it provides a means to help ensure that the valuable support provided to businesses remains sustainable through a cost recovery based charging regime. In also allowing for a level of basic free advice, and signposting, the policy is designed not to be a barrier to economic growth, or to adversely impact on levels of regulatory compliance.
- 7.3 The formation of the shared Trading Standards Service across both Peterborough City and Cambridgeshire on the 1st April 2017 has enabled the adoption of this policy to apply across the combined area. This will lead to consistency in application of businesses services.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 The council could decide not to introduce the policy in which case Regulatory Services would forgo the additional revenue this policy would generate, and as a consequence not offset

future financial pressure, or to invest in service provision to meet increasing service demand attributable to the growth of the city. In addition there would be an imbalance in service provision in the shared Trading Standards service as the County Council have adopted the policy. Regulatory Services would however continue to charge for services provided under statutory licensing regimes, and for advice provided to national businesses under the Primary Authority Scheme

- 8.2 Government strategy is to continue to develop arrangements through its Departments and legislative means to move the cost of regulatory compliance to businesses. Should Peterborough not adopt a charging policy it is anticipated that council services will at some point in the future be subject to statutory charging requirements. Taking the initiative now and implementing a policy will put Peterborough City Council with our shared service partner at the forefront of service delivery in this respect.

9. IMPLICATIONS

- 9.1 Under the Local Government Act 2000 the leader has delegated authority to the cabinet member for communities and environment capital to undertake decisions relating to policy and budget planning for the regulatory services listed in this report.
- 9.2 This proposal does not impose any additional burdens or demands on other departments.
- 9.3 No significant risks have been identified from the adoption of the policy.
- 9.4 There are no new community implications resulting from the proposal. The policy helps provide sustainability of service provision. Sustainability is beneficial with regards to the delivery of statutory functions which address crime and disorder, protect community safety, the environment, business interests, and supports business growth.
- 9.5 Financial arrangements are outlined in the policy document and with fees will be listed in a schedule on the council's web site. The policy is expected to generate a small revenue income of up to £5,000 per year.
- 9.6 The proposed policy is legally compliant in that the Localism Act 2011 gave Councils greater powers to re-charge on a cost recovery basis. There are still constraints on profit generation and the policy and proposed charging rates are consistent with those requirements.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

- 10.1 None.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

No documents used.

12. APPENDICES

Appendix A - Regulatory Services Business Advice Charging Policy