

EAST HERTS COUNCIL

COMMUNITY SCRUTINY COMMITTEE – 21 JULY 2009

REPORT BY EXECUTIVE MEMBER FOR COMMUNITY SAFETY AND PROTECTION AND EXECUTIVE MEMBER FOR HOUSING AND HEALTH

8(B) REVIEW OF FEES AND CHARGES IN THE HEALTH AND HOUSING SERVICE

WARD(S) AFFECTED: ALL

'D' RECOMMENDATION - that the Executive be informed that (A) the fee for issuing of a certificate following the surrender of food, be amended to a '£42 per hour or part thereof plus disposal costs'; and

(B) all other fees and charges within Health and Housing are in line with the fees and charges strategy.

1.0 Purpose/Summary of Report

1.1 At its meeting of the 9th September 2008, the Executive agreed to a Fees and Charges Strategy. That strategy required that all fees and charges should be reviewed in accordance with it. This report constitutes that review of charges in the Health and Housing service.

2.0 Contribution to the Council's Corporate Priorities/Objectives

2.1 **Fit for purpose, services fit for you**

Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.

3.0 Background

3.1 The fees and charges strategy requires that all fees are reviewed on the basis of the following criteria:

- any subsidy from the Council taxpayer to the service user should be a deliberate choice;
- fees should generate income to help deliver service improvement in priority areas;
- fees should support the medium term financial strategy;
- there should be consistency in fee setting for similar areas;

- unnecessary subsidy from the Council tax payer to commercial organisations should be avoided;
 - if the impact of the review is high, then changes can be phased.
- 3.2 In addition, Heads of Service were asked to identify any services where charges could be made, where they currently are not.
- 3.3 Health and Housing have where possible routinely benchmarked its fees and charges with other Local Authorities within Hertfordshire and Bedfordshire to ensure consistency across the two Counties. This process takes place each year during the fees and charges setting process.
- 3.4 The benchmarking process has provided the opportunity to compare discretionary charges made by other Hertfordshire and Bedfordshire Authorities. In previous years this process has resulted in East Herts Council introducing new fees and charges for services we previously did not charge for. This means no other Herts and Beds Authority is charging for a service that we do not charge for.
- 3.5 Since 2006 Health and Housing have undertaken time-recording of all its main activities and used this information together with an hourly rate provided by accountancy, to ensure that where possible, all of its fees and charges are set on a cost recovery basis.
- 3.6 Health and Housing currently have 82 fees and charges, of which 35 are statutory. These statutory fees are in the area of environmental protection and are listed in Appendix 'A' (Pages 8.14 - 8.15). They are not considered further in this report as the Council does not have the ability to change them. The remaining fees and charges which are discretionary are considered in Appendix 'B' (Pages 8.16 - 8.17).
- 3.7 Those which could result in change or need further explanation following this review are considered individually below:
- 4.0 Charges for Issuing of Certificate Following Surrender of Unfit Food
- 4.1 The current fee for this service is set as a flat fee of £79 for each certificate, which is about average from the benchmarking we have undertaken. Since introducing a fee for this function we have not had any requests, and therefore no time recording data is available.
- 4.2 Our experience with other types of certificates, such as export certificates, would suggest that most will take just under two hours to complete, while some take substantially more time.

4.3 The surrender of unfit food to the Council may result in the Council having to dispose of this product, which for some products will mean incineration. Under the current fee this charge will be absorbed by the Council and not passed onto the business.

4.4 It is therefore recommended that this fee be amended to '£42 per hour or part thereof, plus disposal costs'.

5.0 Charges for Basic Food Hygiene Courses

5.1 The current fee for this service is set at £65 per person attending the course, which is the most expensive amongst the Herts and Beds Authorities. Currently we run three courses a year for local businesses. Because of this cost and competition amongst other local authorities and the private sector, we sometimes struggle to fill all of the places on the courses.

5.2 To recover all of the costs associated with running a food hygiene course, or similar, we would have to increase the charge to approximately £120 per person, which would price us out of the market.

5.3 It is therefore recommended that this fee be held at £65 per person.

6.0 Charges for Food or Health & Safety Advice Visits to Businesses

6.1 Currently, Health and Housing do not charge for advisory visits it undertakes to local businesses. These visits will be focused on helping a business comply with the law. This will include new and established businesses.

6.2 Based on time recording data gathered for these types of advisory visits, a charge of £172 + VAT would have to be set to recover costs.

6.3 If we introduce a charge for this service, it is unlikely, particularly in the current economic climate, that any advisory visits will be requested. The more probable outcome is that any non-compliance with the relevant law will be found following a complaint or during a routine visit and result in formal action (notices and/or prosecution). This formal action will take considerably longer than an advisory visit and will not be recoverable (except as part of the prosecution costs if we are successful). Meanwhile, the public may be exposed to risks to their health including food poisoning and workplace accidents.

6.4 During 2008/09 only two advisory visits were requested by local businesses, therefore introducing a charge for this activity will not generate substantial income.

6.5 It is therefore recommended that this charge is not introduced.

5.0 Consultation

5.1 None

6.0 Legal Implications

6.1 None

7.0 Financial Implications

7.1 The new charge recommended in this report will not result in any significant increase in income as the service it relates to is infrequently used by businesses.

8.0 Human Resource Implications

8.1 None

9.0 Risk Management Implications

9.1 Failing to amend the fee for the issuing of a certificate following the surrender of unfit food could result in the disposal costs and any lengthy disposals being paid for by the Council.

9.2 Each year, food poisoning costs the economy at least £350 million and affects an estimated 5.5 million people. While each year 3.3 million injuries and cases of ill-health are experienced by workers resulting in 40 million working days being lost. The estimated cost of this to the economy is between £3.3 to £6.5 billion each year.

9.3 Increasing the fee for food hygiene courses is likely to price us out of the market, and therefore reduce our income for this area. It is also likely to have an impact on our ability to protect the safety of local residents and will not help reduce the figures in paragraph 9.2.

9.4 While only two advisory visits were undertaken last year, these visits were vital to help prevent businesses comply with the law and protect the health and safety of the residents. Charging for this

service is likely to have an impact on our ability to protect the safety of local residents and will not help reduce the figures in paragraph 9.2.

Background Papers

None

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