

BUCKINGHAMSHIRE COUNCIL AND SURREY COUNTY COUNCIL
TRADING STANDARDS JOINT COMMITTEE

DATE: 9 NOVEMBER 2023

LEAD OFFICER: AMANDA POOLE
ASSISTANT HEAD OF TRADING STANDARDS

SUBJECT: JOINT SERVICE BUDGET

1.0 SUMMARY OF ISSUE:

- 1.1 The Joint Committee regularly reviews and sets the Service budget.
- 1.2 The information provided shows that the Joint Service budget is forecasting an underspend of 1.8% (£53,000) against the budget for 2023-24 agreed by the Joint Committee in April 2023.
- 1.3 The reasons for the underspend are difficulties in recruitment, followed very recently by a decision to intentionally hold some vacancies in preparation for managing a likely reduction in the 2024-25 budget.
- 1.4 The Medium-Term Financial Planning process for April 2024 onwards is currently being undertaken in both partner local authorities and the Service approach is being developed in consultation with the Trading Standards Board.

2.0 RECOMMENDATIONS:

- 2.1 It is recommended that the Trading Standards Joint Committee:
 - 2.1.1 notes the forecast outturn for the joint service budget for 2023/24

3.0 REASON FOR RECOMMENDATIONS:

- 3.1 The Joint Committee is required by the Inter Authority Agreement which underpins the service to:
 - a) Maintain financial oversight of the Service and ensure sound financial management.



4.0 BUDGET 23/24:

- 4.1 The costs of the Joint Service are divided between the partner Local Authorities in the proportion: 34% Buckinghamshire and 66% Surrey, which includes any under or over spends.
- 4.2 There are several factors which introduce volatility to the budget. The service has an income budget of £573k, equivalent to 19.7% of its gross budget. It is challenging to accurately predict income and it's timing especially where costs are recovered from prosecutions, or where market conditions are changing. We have also had a change of financial system within the year which is causing a higher level of uncertainty than usual as we learn the new system.
- 4.3 In terms of the larger scale economic situation, we have particularly seen the impact of this on businesses with whom we have Primary Authority Partnerships which makes income less certain than in some previous years.
- 4.4 In relation to court outcomes that at times lead to costs being recovered, this remains unpredictable. We are seeing several of the trials for more complex cases be repeatedly adjourned, usually for a year or more at a time causing the outcomes to be delayed. The most notable of these was first due to go to trial in 2020 and is now scheduled for 2024. This issue adds to the difficulty of accurately forecasting both court related costs and affects the recovery of those costs. The Service manages its' budget closely to even out the most volatile factors where it is possible.

2023/24 Forecast Outturn

- 4.5 The agreed budget for 2023/24 totals £2,908,000.
- 4.6 The current forecast outturn is an underspend of £53,000 (1.8%). The main reason for this underspend is that we currently have vacant posts. Attempts to recruit to qualified officers have not been successful. There is a shortage of qualified officers in the Trading Standards profession at the moment, and the one suitable external candidate who initially applied pulled out just before interview telling us he had secured a similar job on a higher wage at a different Council.
- 4.7 Recently it has become apparent that the financial situation for Local Government generally is significantly constrained and therefore both partner Council's are looking to reduce budgets for 2024 onwards. Therefore, we have recently taken the decision to hold some of our vacant posts whilst it is decided what the budget will be and how savings can be delivered. We believe this approach will allow us to avoid any compulsory redundancies, although does clearly impact our ability to deliver the same level of Service.

Summary by expenditure type	Full Year 23/24 Budget £'000	End of Year Forecast £'000
Employee related spend	3,191	3,152
Non-staffing expenditure	290	307
EXPENDITURE:	3,481	3,458
INCOME:	-573	-609
Total Net Expenditure	2,908	2,849
<u>Buckinghamshire Council Contribution</u>	989	969
<u>Surrey County Council Contribution</u>	1,919	1,880

- 4.8 Each Council has a different approach to how it plans on dealing with their proportion of the budget underspend.

2024/25 Planning

- 4.9 Medium Term Financial Planning is underway in both Councils, but it is too early in the process to have a final proposed budget for the Joint Committee to consider, this will be brought to the spring meeting. However, in the meantime the TS Board have been and will continue to be engaged in developing budget ideas.

6.0 CONSULTATION:

- 6.1 No external consultation has taken place. However, finance teams from both partner Councils are involved in developing budget proposals as part of the medium term financial planning which will be brought back to this committee at the Spring meeting.

7.0 RISK MANAGEMENT AND IMPLICATIONS:

- 7.1 All significant risks affecting the service (which include items beyond budget) are regularly considered by the management team (two monthly for red and amber risks, 6 monthly for green risks).
- 7.2 Where risks become higher, these are shared with the Trading Standards Board for awareness and discussion.

8.0 FINANCIAL & VALUE FOR MONEY IMPLICATIONS

- 8.1 The Service has delivered all elements of the original business case. Reasons for the forecast budget outturn position for 2023/24 are given above.

9.0 LEGAL IMPLICATIONS

- 9.1 The 2015 Inter-Authority Agreement provides the legal framework within which the Service operates.
- 9.2 There are no specific legal issues that need to be drawn to the attention of the Committee.

10.0 EQUALITIES & DIVERSITY

- 10.1 The budget forecast outturn being reported will not impact on residents or staff with different protected characteristics, as such an Equality Impact Assessment has not been included.

11.0 WHAT HAPPENS NEXT:

- 11.1 The budget will continue to be monitored and managed by the Service Management team and will be reported back to the Joint Committee at each of its meetings.

REPORT DETAILS

Contact Officer(s):

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Consulted:

Annexes:

None

Sources/background papers:

ENDS