

# **LONDON BOROUGHS OF BRENT AND HARROW**

## **TRADING STANDARDS ADVISORY BOARD – 18<sup>th</sup> MARCH 2009**

### **REPORT NO. 05/08 OF THE DIRECTOR OF TRADING STANDARDS**

#### **FOR INFORMATION**

TITLE OF REPORT: **TRADING STANDARDS BUDGET FOR 2009/2010**

#### **1.0 SUMMARY**

1.1 This report provides Members with the latest information concerning the Trading Standards Budget for 2009/2010 together with the implications on service delivery.

#### **2.0 RECOMMENDATIONS**

2.1 That Members consider this report and comment where appropriate.

#### **3.0 FINANCIAL CONSIDERATIONS**

3.1 The whole report concerns the finance of the Trading Standards Service.

3.2 Although this report does not itself have financial implications, it reflects the position following a further reduction by Brent and the possible reduction by Harrow in their respective 2009-10 budgets. Members will recall that following the restructuring of the Service, substantial savings were made to the 2007-08 Trading Standards budget by both Councils which resulted in the loss of one Enforcement Officer from each of the two borough enforcement teams. Further reductions were made in 2008-2009 budgets by both Councils which resulted in the deletion of vacant posts.

#### **4.0 STAFFING IMPLICATIONS**

4.1 The implications of the reduction in the Brent Trading Standards budget will lead to the deletion on 0.5 FTE enforcement post as well as the removal of all overtime payments for work that is carried out by officers outside normal working hours. To overcome some of the problems that will invariably result from the reduction in overtime payments, it is envisaged that a seven day working pattern will be introduced for all enforcement staff. The overall cuts in the Brent budget also envisage that there will be a marked increase in the amount of costs that are recovered as a result of successful prosecutions.

4.2 Insofar as Harrow is concerned, it is not possible to provide Members with any detailed information as at the time of writing, the final budget for the Council has not been agreed.

#### **5.0 DETAIL**

5.1 At the Trading Standards Advisory Board meeting on 1<sup>st</sup> December 2008, Members considered report No.03/08 concerning the Trading Standards budget for 2009/2010. At that meeting, Members raised their concerns that the Service was being presented with many more important areas of work and that there was a danger that current funding levels would not be able to support this work. Concern was also expressed by Members about the diminishing income and the effect on the Service

of any further budget reductions. Members stated that they would raise these concerns with their respective Cabinet Lead Members.

- 5.2 Brent is providing a total budget of £886,000 for the 2009-10 financial year. This is a reduction of £66,000 from the 2008/09 budget. As stated above, this reduction will result in the loss of a 0.5 FTE frontline enforcement post. It is possible that this saving will result in redundancy as all the posts are currently filled. If that is the case, then Brent will have to pay the redundancy as well as any other costs that may arise. There is a further reduction of £25,000 in the Brent budget through the removal of overtime payments. Although it is envisaged that a seven day working rota will be introduced, it will nevertheless seriously affect the Service's ability to deliver adequate services to our customers and lead to a reduction in the overall performance targets. The remainder of the savings are expected to be made through increased costs from prosecutions undertaken by the Service. However, it is difficult to see how income from prosecution costs can be increased when there is a reduction in the number of enforcement staff whose main function is to investigate the very cases which lead to costs being awarded against defendants who are successfully prosecuted. Therefore, it is possible that further redundancies may have to be made during the course of the year if the envisaged increased income from court costs do not materialise.
- 5.3 As stated above, the situation regarding Harrow's contribution to the Trading Standards budget is unclear. However, during 2008-09, Harrow provided a budget of £816,000 which was identical to the amount provided in 2007-2008. The net effect of this was a 'cash freeze' which meant that there was no increase for inflation or for staff salaries. To account for inflation, the amount sought from Harrow for 2009-2010 is £840,554. Therefore, as stated above with respect to the Brent team, any reduction in this figure will result in the deletion of frontline staff from the Harrow team. Similarly, this will have an adverse effect on the Service's ability to carry out its core functions and to conduct financial investigations for the seizure of assets under the Proceeds of Crime Act 2002.
- 5.4 If Harrow agree to provide the figure stated in 5.3 above, then the combined Brent and Harrow budget for the Service for 2009-2010 will be £1,726,000. The overall work output will be as detailed in report 06/08, which appears later on the agenda for this meeting. There will be a reduction in service delivery and a great deal of re-prioritisation will occur, with some duties inevitably taking a lower priority. Furthermore, it will seriously affect the Service's ability to conduct complex investigations which will invariably lead to a loss of 'income' from the Government's incentivisation scheme under the Proceeds of Crime Act 2002. As service delivery will be reduced in each borough, it is anticipated that the Service may have difficulty in achieving the upper threshold for the relevant Trading Standards National Indicators for both Councils' Comprehensive Area Assessment.

## 6.0 **BACKGROUND INFORMATION**

### 6.1 2009/2010 Budget File.

Any person wishing to inspect the above should contact N Bilon, First Floor, 249 Willesden Lane, London NW2 5JH, telephone 020 8937 5500.

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