

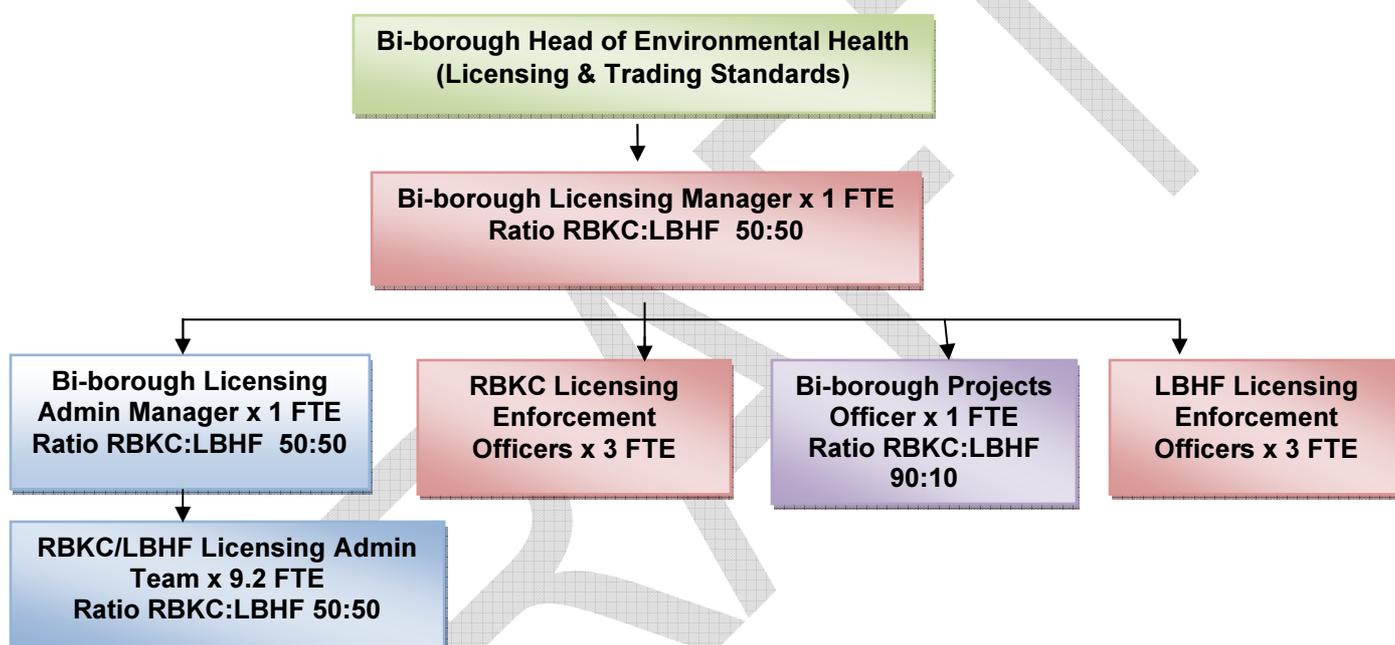
Overview of the Bi-Borough Licensing Service Review

Introduction

This document presents findings following a comparison of the Licensing teams in the London Borough of Hammersmith and Fulham (LBHF) and the Royal Borough of Kensington and Chelsea (RBKC).

Proposed structure

In light of the findings from the Licensing review, the following team structure for a bi-borough, integrated Licensing team, with separate enforcement teams is being proposed, as the preferred option, to realise any benefits and savings and to maintain sovereignty.



An integrated Licensing team, with separate sovereign enforcement teams is considered to be the best option for these teams. This will involve careful management and oversight, so as to ensure that front line enforcement and service standards are not compromised during the integration process.

The main changes are at management level. The proposals include recommendations to have a single bi-borough, integrated Licensing team and a single bi-borough, integrated Trading Standards team. This would facilitate arrangements for the LBHF Trading Standards and Licensing Manager to become the Bi-borough Trading Standards Manager and for the RBKC Licensing Manager to become the Bi-borough Licensing Manager.

The proposed structure below provides a robust framework for being both reactive and proactive. It will also help to ensure that savings are made, whilst improving service delivery and maintaining local authority sovereignty and individual licensing policies.

Profile of licensed premises in each borough

The following tables provide data on the borough profiles (as at the 1st April 2012) and illustrate that there is little difference in the number of licensed premises and authorisations issued, between the two authorities.

Breakdown of Licensing Act (LA03) Premises

| Breakdown of LA03 Premises | LBHF | RBKC |
|---|------------|-------------|
| Pubs, Bars, Clubs | 200 | 182 |
| Restaurants | 221 | 446 |
| Off Licences | 252 | 187 |
| Licensed Hotels | 26 | 80 |
| Late Night Refreshment Venues | 196 | 20 |
| Cinemas and Theatres | 9 | 16 |
| Football Grounds | 3 | 0 |
| Club Premises | 16 | 14 |
| Other | 2 | 84 |
| Total number of LA03 licensed premises | 925 | 1029 |

Breakdown of Gambling Act (GA05) Authorisations

| Breakdown of GA05 Premises | LBHF | RBKC |
|--|-----------|------------|
| Adult Gaming Centres | 14 | 4 |
| Casinos | 0 | 5 |
| Betting Shops/ Track Betting | 53 | 34 |
| Bingo | 1 | 0 |
| Small Society Lottery | 23 | 64 |
| Total number of GA05 Authorisations | 91 | 107 |

Basic staffing comparison

The table below provides details of current salaries and staff numbers for both boroughs and sets out the projected staff numbers and salaries including on-costs.

Basic Staffing Comparison and Analysis, detailing Staff Numbers and Salary Budgets - February 2013

| Staffing | LBHF | RBKC |
|-------------------------------|--|--|
| Salaries budget | £229,600 Licensing Enforcement £170,838 Licensing admin, provided by Business Support Total: £400,438 | £611,790 Combined licensing Enforcement and Admin (594,840 Total Salary + £16,950 indirect employee costs) Total: £611,790 |
| Managers | 0.50 FTE plus Head of Service time for Licensing Enforcement 0.55 FTE from Business Support for licensing admin Total 1.05 FTE | 1.00 FTE plus Head of Service time 1.00 FTE Assistant Manager (post vacant) 1.00 FTE Licensing Admin Total 3.00 FTE |
| Officers | 3.00 FTE Licensing Enforcement 3.95 FTE Business Support Team 0.60 FTE Licensing Support Total 7.55 FTE | 3.60 FTE Licensing Enforcement 1.00 FTE Licensing Projects Officer 5.60 FTE Licensing Admin Total FTE 10.20 |
| Total FTEs | 8.6 FTE | 13.2 FTE |
| Summary | £400,438 for 8.6 FTE | £611,790 for 13.2 FTE |
| Combined totals Feb 13 | Combined Total FTE: 21.8 Combined Total Salary budget: £1,012,228 | |
| Combined totals Apr 13 | RBKC: 1.6 FTE reduction from current vacant posts, £91,291 saving from April 2013 Combined Team Total FTE: 20.2 Combined Salary budget: £920,937 | |

Implications for RBKC

The proposed structure includes the co-location of both the administrative and regulatory functions of the licensing team. This will bring benefits for both boroughs in the form of streamlined, effective administrative processes and procedures, effective debt collection, timely processing of licence applications, co-ordinated inspections of licensed premises and the ability to implement cross-border licensing initiatives while keeping sovereignty separate across the two boroughs.

This would also be an ideal opportunity to share skills and good practice, and improve partnership working with the Police, the PCT (and the future Directors of Public Health), the Bi-borough Trading Standards team and the Environmental Health Department.

Implications for LBHF

An integrated Licensing Team across the two boroughs will provide the opportunity to maximise income from licensing fees, maximise compliance with licensing legislation, and will provide a dedicated Licensing Manager and dedicated Administration Manager. Currently, the LBHF Licensing Officers work to a manager who has to share her resources with the LBHF Trading Standards Team and who, consequently, has not been able to focus entirely on improving the licensing service. Additionally, the administration and fee collection service in LBHF has been carried out by another team, leading to delays in dealing with applications and the loss of fee income. Bringing all these functions into a dedicated licensing team will lead to significant improvements in processes, collection of fee income and management support for officers. This will be particularly evident if both RBKC and LBHF officers are located in the same building.

Financial Implications

| Service Review – Licensing Table A1 - Proposed allocation of direct costs and savings | | | | | | |
|---|---------|-------|---------|-------|---------|-------|
| | 2013/14 | | 2014/15 | | 2015/16 | |
| Total | LBHF | RBKC | LBHF | RBKC | LBHF | RBKC |
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Existing Expenditure | 321 | 805 | 321 | 805 | 321 | 805 |
| New Expenditure/budget | 298 | 622 | 298 | 622 | 298 | 622 |
| Savings | 23 | 183 | 23 | 183 | 23 | 183 |

This is the first stage of a fully integrated service. Managers post will be shared in the new structure based on an even split between work loads which are very similar in each borough. Support roles and operational teams will continue to work for each borough representing the need to retain local knowledge during the first phase of the review.

Savings of £206k represent the deletion of 3 vacant posts (2 in RBKC, 1 in LBHF) and the sharing of a management post across both boroughs.

Conclusion

In carrying out the service review the needs of both boroughs have been paramount. Deep compare, contrast and analysis has identified the following:

- Joint savings with further opportunities to drive down operational costs, approximately £200K;
- The importance of maintaining adequate capacity to cater for future demand from new legislation/obligations and legal process, including the public health agenda and the key priority of alcohol;
- The need to maintain professional officer competence and proactive case management;
- The opportunity to streamline processes so that we become more efficient;
- Opportunities to increase and maximise the amount of LBHF licensing income (current outstanding debt is approximately £200K), collected through improved administration and financial processes;
- An aligned, robust performance management system and combined work plans to provide positive outcomes for local residents and licensees.