

To: The Chairman and Members of the River
Tees Port Health Authority

Contact: Mrs S A Fenwick
Direct line: (01642) 444413

23 November 2022

Dear Councillor,

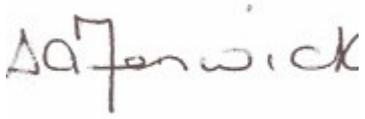
RIVER TEES PORT HEALTH AUTHORITY: FRIDAY 2 DECEMBER 2022

Would you please note that a meeting of the River Tees Port Health Authority will be held on Friday 2 December 2022 at 10.00am in the **Council Chamber, Civic Centre, Ridley Street, Redcar.**

A G E N D A

	<u>Pages</u>
1. Apologies for Absence.	
2. Declarations of Interest.	
3. To confirm the Minutes of the meeting held on 2 September 2022	1 - 5
4. Reports of the Corporate Director for Adults and Communities:	
a. Performance Summary for River Tees Port Health Authority August 2022 to October 2022	6 – 10
b. EU Exit Update.	11 – 17
c. Contracting out Port Health Services	18 - 20
5. Reports of the Deputy Treasurer:	
a. 2022/23 Financial Position Update and note on 2023/24 Budget	21 - 28
6. Any items that the Chair certifies as urgent.	

Yours sincerely,

A handwritten signature in black ink that reads "S Fenwick". The signature is written in a cursive style with a distinct loop for the letter 'S'.

S FENWICK
DEPUTY CLERK TO THE AUTHORITY

RIVER TEES PORT HEALTH AUTHORITY

A meeting of the River Tees Port Health Authority was held on Friday 2 September 2022 in the Civic Centre, Redcar.

PRESENT Councillor Hall (In the Chair)
Councillors Cooper, Creevy, Dowson, Fletcher, Hellau (substituting for Councillor Branson), Perry, Thomson and Watson.

OFFICIALS R Davisworth, D Dobson, L Evans, E Grunert and S Ziolkowski - Redcar and Cleveland Borough Council.

APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Cassidy, Coupe, Dalgarno, Furness, O'Donnell, C Quartermain and Walker.

27. **MINUTES**

RESOLVED that the minutes of the meeting held on 10 June 2022 be confirmed and signed by the Chair as a correct record subject to Councillor Hall's name being recorded in the list of apologies and not as being present.

28. **PRESENTATION – OVERVIEW OF RIVER TEES PORT HEALTH AUTHORITY**

The Corporate Director of Adults and Communities gave a presentation which outlined:

- The history of Teesport;
- The River Tees Port Health Authority Order 2016 and its jurisdiction; and,
- The purpose of the Port Health Authority, its stakeholders and what it does.

As part of the ensuring discussions the following comments were made:

- Because of the contaminated water and the death of crabs was sampling of the river Tees and estuary carried out. An Officer advised that the only testing that was carried out was on board of ships not the River Tees itself.

- Was dredging part of Part B permits. An Officer advised that River Tees Port Health Authority was not involved at all with dredging the authority had no responsibility it was the responsibility of DEFRA and other Government organisations.
- A Member commented that recently Redcar and Cleveland Borough Council had passed a motion to set up a Scrutiny Committee to look at the background and investigate the reasons for the mass death of sea creatures. He advised that in the coming weeks further discussions would be taking place.
- A Member asked how Officers liaise with stakeholders and how do they monitor performance. An Officer advised that they had regular meetings with PDPorts and quarterly meetings with the Harbourmaster and Public Health England. In addition as the service was managed by Redcar and Cleveland Borough Council there was regular reporting through performance reports and service plans.

RESOLVED that the information in the presentation be noted.

29. **PERFORMANCE SUMMARY FOR RIVER TEES PORT HEALTH AUTHORITY MAY 22 TO JULY 2022**

The Corporate Director of Adults and Communities presented a report which gave a summary of the performance of the River Tees Port Health Authority from May 2022 to July 2022.

RESOLVED that the information in the report be noted.

30. **EU EXIT UPDATE**

The Corporate Director of Adults and Communities presented a report which updated Members on the potential impacts on the Port Health Services from Britain's exit from the EU during 2021 and the plans in place to implement border controls, which have been delayed a number of times.

The Government intends to publish a new Target Operating Model (TOM) in autumn 2022 that would set out the new regime of border import controls and be introduced at the end of 2023.

The service has followed Defra's advice through the transition periods and recruited additional staff to resource the new controls that were due to be implemented on 1 July 2022.

Transition funding from DEFRA was received to prepare for new border controls however notification from DEFRA had been received which advised that they had taken the decision to cease the existing funding arrangements at the end of July 2022. They would continue to work with Port Health Authorities to assess and cover the costs incurred from this change in line with the New Burdens Doctrine, including any costs incurred during the time needed to make the assessment.

As a result of this the additional staff who were employed in readiness for the implementation of the new controls in July 2022 have now been successfully redeployed into posts elsewhere within Redcar & Cleveland Borough Council.

PD Ports would continue with its application, which began in 2021, to become a Border Control Post (BCP) it was anticipated that new trade, from outside of Europe, would be generated following the new status of the Port being secured from Animal and Plant Health Agency (APHA).

The Port Health Service had a duty to provide a service to the Port to ensure all food and feed entering the Tees was safe for consumption, and if the Port applied to change its status, the Port Health Service must provide official controls, to ensure food and feed was safe for import.

The service was awarded additional funding from Defra in July 2022 of £46,230. This funding was to cover the cost of both staff and non-staff costs incurred throughout July 2022.

Further funding was to be made available by Defra for any costs incurred through August whilst Port Health Authorities (PHA's) complete the process of making arrangements to reduce staffing levels to those required to operate until the new TOM was implemented. Officers advised that a bid for further funding had been submitted for August/September and a financial impact would be submitted for funding after September.

The Port Health Service was keeping up to date with all stakeholders during this transition and implementation period on the potential impacts, and likely changes that may occur. The Service had been assigned a DEFRA Readiness Officer to assist during the transition period.

RESOLVED that the information in the report be noted.

31. **2022/23 FINANCIAL POSITION UPDATE**

The Treasurer presented a report which gave an update on the financial position of the Authority at the end of July 2022 and highlighted the major variances against the 2022/23 approved budget, which was set out in the report.

The report reminded Members that in March 2022 the Authority approved a balanced budget position after receiving £123,200 funding from the riparian Authorities, with plans to self-fund in 2023/24 and no reliance on riparian authority funding. This budget was based on the service plans and an assumption that the transition to a Border Control Port (BCP) would be complete by July 2022 however due to this being delayed until 2023 a revised budget was required.

The Treasurer advised that based on the projected outturn figures set out in the report, the Authority would have a net expenditure position of £88,199. This forecast was based on actual expenditure and operational income up to the end of July but also included the expected receipt of a grant income from DEFRA for July and August. He advised that this position would be closely monitored throughout the year and Officers were in discussions with DEFRA on a regular basis to understand next steps and future plans for the BCP.

RESOLVED that the information in the report be noted.

32. **REVISED BUDGET 2022/23 AND MEDIUM-TERM FINANCIAL PLAN**

The Treasurer presented a report which sought approval to a revised budget for the Authority for the 2022/23 financial year, which continued to assume the required funding levels required from each of the four contributing Local Authorities following the Government announcement on 28 April 2022, that no further import controls on EU goods would be introduced in the 2022/23 financial year and that Businesses stop their preparations for July immediately.

At its meeting on 4 March 2022, the Authority approved the initial 2022/23 budget and MTFP and it was assumed that the implementation of Border Control Post (BCP) checks would be implemented between July and November 2022.

Subsequent to this, Government announced that the introductory date for BCP checks of 1 July 2022 and subsequent phased introductions of checks on other products had been delayed until the end of 2023. This very short-notice announcement created significant financial uncertainty for the RTPHA full details of which was set out in the report.

RESOLVED:

1. That the revised 2022/23 budget and the associated funding requirements based upon the information as set out in the report at Appendix 1 (not reproduced) be approved; and,
2. That the external audit appointment process for the five-year period 2022-23 to 2026-27 be approved.



Member Report

Performance Summary for River Tees Port Health Authority August 2022 to October 2022

Public

To: River Tees Port Health Authority **Date:** 2nd Dec 2022

From: Corporate Director for Adults and Communities **Decision type:** For information

Portfolio: Health, Housing and Welfare **Forward Plan reference:** N/A

Priority: All priorities

Ward(s): ALL

1 What is the recommendation?

1.1 For information purposes only.

2 What part of the Corporate Plan does this report deliver and how, and what options have been considered?

2.1 This report provides an overview of the performance from 1 August 2022 to 31 October 2022.

2.2 Shipping movements through the River Tees

Shipping movements are consistent throughout the year with Stockton, and Redcar and Cleveland having the most berths and as such the most visits by ships. The Stockton (North Tees) side of the river mainly deals with petrochemicals, including oil, gas and other chemicals, and Redcar and Cleveland hosts the container and ro-ro (roll on-roll off) berths.

Authority	Aug 22	Sept 22	Oct 22	Grand Total
Hartlepool	7	11	9	27
Middlesbrough	8	14	17	39
Redcar & Cleveland	118	111	130	359
Stockton	97	100	101	298
Grand Total	230	236	257	723

2.4

Ship Inspections and Issue of Ship Sanitation Certificates

All requests for renewal of a Ship Sanitation Certificate were attended to. Whilst the majority of Covid restrictions have been lifted, Covid rates are still high in the UK and officers continue to take precautions prior to boarding a vessel.

All ships must supply a Declaration of Health prior to officers boarding; any sign of infectious disease on board will be risk assessed prior to boarding. We continue to check documentation remotely where possible to reduce contact and time on board the vessel.

Any additional controls required by the ship are also adhered to, such as temperature monitoring of staff upon arrival at the ship.

- 2.5 We were advised by Milford Haven Port Health Authority that a vessel was on its way to the Tees with a severe cockroach infestation on board. The vessel was unable to carry out the necessary controls prior to leaving Milford Haven and there were concerns about the public health impact on the crew.

We informed the Harbour Master, the ships agent, and the seafarer’s mission of the incident and provided advice on whether to attend the vessel upon arrival.

We also liaised with the agent to ensure a pest control contractor was arranged to visit the vessel upon arrival and evidence was provided of the contractors visit. No further action could be taken by Tees PHA as the vessel ‘s next port of call was in the USA.

2.6 Ship Inspections

Authority	Aug 22	Sept 22	Oct 22	Grand Total
Hartlepool				
Exemption	0	0	1	1
Routine	0	0	0	0
Control	0	0	0	0
Middlesbrough				
Exemption	0	1	1	2
Routine	0	0	0	0
Control	0	0	0	0
Redcar & Cleveland				
Exemption	5	6	2	13
Routine	0	0	0	0
Control	0	0	0	0
Stockton				
Exemption	3	4	5	12
Routine	0	0	0	0
Control	0	0	0	0
Total	8	11	9	28

2.7 Water Samples – ship and jetty supplies

All requests for water samples are attended to where there is availability for the laboratory to collect the samples within an appropriate time frame. The laboratory can collect samples Monday to Friday; Tuesday, Wednesday and Thursday are dedicated free pick-up times, and Monday and Friday are ad-hoc collections which incur an additional charge to the ship.

Any unsatisfactory samples are provided with advice and information and a recommendation to resample at their next port of call.

2.8 Ship Water Samples

	Aug 22	Sept 22	Oct 22	Total
SATISFACTORY	11	9	19	39
UNSATISFACTORY	1	0	4	5
Grand Total	12	9	23	43

2.9 Imported Food and Feed

All official controls are carried out within relevant timescales, and this varies depending on the type of product and regulation requirements.

Tea, coffee, and wine are the main imported food items from outside the EU, a small amount of feed is also imported. The quantity of plastic kitchenware from China and Hong Kong continues to be minimal.

2.10 IUU (Illegal Unreported Unregulated Checks)

Imports of fish from the EU require catch certificate endorsement and/or a processing statement check. We are working with importers and agents to ensure these are pre-notified at least 24 hours before arrival at Teesport and manifested correctly.

Most Tees imports are containers and trailers with processed fishery products, such as tinned tuna, fish fingers and surimi (mixed fish sticks) on board.

	Aug 22	Sept 22	Oct 22	Total
Fishery products	70	105	140	225

2.11 Product of Animal Origin (POAO)

Due to Liverpool Port experiencing strike action by its staff, several vessels have been diverted to the Tees. The Tees, however, is not approved for Products of Animal Origin from outside the EU and therefore a number of illegal imports were identified, and advice provided on transshipment to another UK port approved for these purposes.

The consignments identified were three containers of Sardines from Morocco, and five containers of animal feed that included meal worms, mixed insects, and black soldier flies.

2.12 Organics

The service has certified a total of 6 consignments of organic imports between August 2022 and October 2022. These included coffee, and sunflower meal.

2.13 Plastic Kitchenware from China and Hong Kong

The service received two consignments of plastic kitchenware during August to October, all being satisfactory for import into the UK.

2.14 Health Entry Documents for High-Risk Food not of Animal Origin (HRFNAO)

The service received 2 high risk food imports in the last 3 months. These were all tea from China. All imports in this category passed and were released for free circulation.

2.15 Infectious disease notifications

There were no incidents of infectious disease notifications between August to October 2022.

2.16 Policies and Plans

All current documents are available on the Tees Port Health website at www.teesporthealth.co.uk

2.17 Other relevant information

The service was awarded further funding from Defra, £54,929 to cover costs incurred during the reduction in staffing provision for the period 01 August 2022 to 30 September 2022.

Further funding will be available for the period 01 October 2022 to 31 December 2022, the service will request funding to cover any ongoing transition costs incurred during this period, which will be less than the earlier period.

- 2.18 The service has also been awarded £33,368 from the Food Standards Agency (FSA) to carry out increased surveillance of imported food and feed to ensure public health protection. The funding will pay for officer's time to monitor and carry out in depth research into imports as well as identifying future sampling activity and attending training courses.

The service will share any relevant findings at local liaison meetings, regional meeting via the North East Public Protection Partnership (NEPPP) and through the national Intelligence Data Base (IDB) for any national information.

3 Who has been consulted and engaged?

- 3.1 Senior Officers of the Riparian Authorities.

4 What are the risks and resource implications?

- 4.1 There are no risks associated with this report.

5 Appendices and further information

- 5.1 There are no appendices with this report.

6 Background papers

6.1 No background papers other than published works were used in writing this report.

7 Contact Officer

7.1 Name: Sue Ziolkowski
Position: Principal Environmental Health Officer
Address: Belmont House, Rectory Lane, Guisborough TS14 7FD
Telephone: 01287 612404
Email: susan.ziolkowski@redcar-cleveland.gov.uk

River Tees Port Health Authority

EU Exit Update



Public

To: River Tees Port Health Authority **Date:** 02 Dec 2022

From: Corporate Director of Adults and Communities **Decision:** Committee

Portfolio: Health, Housing and Welfare

Outcome: Public Health

1 What is the purpose of this report?

- 1.1 To update members on the potential impacts on the Port Health Service following Britain's exit from the European Union. Board members last received an update report on 2nd September 2022.

2 What is the background to this report?

- 2.1 The UK officially left the EU on 31st December 2020 and the government has since put various plans in place to implement border controls, however these plans have now been delayed four times.

The UK government intends to publish a new Target Operating Model (TOM) in autumn 2022 that will set out the new regime of border import controls, which would be introduced at the end of 2023.

The Department for Environment, Food and Rural Affairs (Defra) has been consulting with Port Health Authorities, and the Trade, on what this TOM is going to look like.

- 2.2 The service followed Defra's advice through the transition periods and recruited additional staff to resource the new controls that were due to be implemented on 1st July 2022. Following the advice in July 2022 to start downsizing the service, arrangements were made to redeploy staff not currently required to operate the service.

2.3 Redeployment of existing staff

All staff identified as not being required to run the service have been successfully redeployed into posts within Redcar & Cleveland Borough Council.

2.4 Border Control Post Update

PD Ports are continuing with its application, which began in 2021, to become a Border Control Post (BCP). It is anticipated that new trade, from outside of Europe, will be generated by the Port, following the new status of the Port being secured from the Animal and Plant Health Agency (APHA).

2.5 The Port Health Service has a duty to provide a service to the Port to ensure all food and feed entering the Tees is safe for consumption. Therefore, when a Port applies to change its status, the Port Health Service must adapt its service to provide all necessary official controls, to ensure food and feed is safe for import.

2.6 Funding Update

The service was awarded additional funding from Defra in October 2022 of £54,929 (Appendix B). This funding is to cover the cost of both staff and non-staff costs incurred throughout August and September 2022.

2.7 Further funding is to be made available by Defra for any costs incurred through October, November, and December whilst Port Health Authorities (PHA's) complete the process of planning to reduce staffing levels to those required to operate the service.

2.8 The Port Health Service is keeping up to date with all stakeholders during this transition and implementation period on the potential impacts, and likely changes that may occur. The Service has been assigned a DEFRA Readiness Officer to assist during the transition period.

3 Who will this benefit and how?

3.1 By keeping up to date with current implementation timetables we will ensure that the Authority is kept fully up to date and prepared for the future development of the Port Health Service.

4 Who have we consulted?

4.1 Senior Officers of the Riparian Authorities.

5 How will it deliver our priorities and improve our performance?

5.1 By keeping up to date with implementation timetables and planned changes we will be fully prepared for any eventuality.

6 What are the resource implications (financial, human resources)?

6.1 Failure to monitor and plan effectively may result in a financial impact to the Port Health Authority, and subsequently may impact the Riparian Authorities if additional contributions are required.

7 What will be the impact on equality and diversity?

7.1 There are no equality and diversity issues as part of this report.

8 What will be the impact on our carbon footprint?

8.1 There is no direct impact on the carbon footprint as a result of this report.

9 Are there any legal considerations?

9.1 There are no legal considerations at this time.

10 What are the risks involved?

10.1 Failure to keep up to date with the changing situation may put the service at unnecessary financial risk.

11 What options have been considered?

11.1 The report is for information purposes.

12 Recommendations

12.1 For information only.

13 Appendices and further information

13.1 Appendix A – Port Health Transition Funding Confirmation October 2022

14 Background papers

14.1 None

15 Contact officer

Name: Sue Ziolkowski

Address: River Tees Port Health Authority, Belmont House, Rectory Lane,
Guisborough, TS14 7FD

Telephone: (01287) 612404

Email: susan.ziolkowski@redcar-cleveland.gov.uk



Department
for Environment
Food & Rural Affairs

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2 Marsham St
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T: 03459 335577
bbtp-pha-
readiness@defra.gov.uk
www.gov.uk/defra

Mr. J. Sampson
Managing Director
Redcar and Cleveland Borough Council
Belmont House
Rectory Lane
Guisborough
TS14 7FD

Date: 14 October 2022

Dear Mr. Sampson,

PORT HEALTH TRANSITION FUND GRANT DETERMINATION (2022): No 31/6315

I am writing to inform you that your recent bid to the Port Health Transition Fund has been successful. Defra now intends to issue grant funding to your local authority through a Section 31 grant (Local Government Act 2003). In line with the New Burdens Doctrine, this funding aims to cover the costs incurred as a result of preparing for the new regime of sanitary checks, and our decision to cease previous funding arrangements.

The total funding for this grant is £54,929 to cover costs for the period 1 August 2022 – 30 September 2022. This will be paid to your authority in the form of a single non-ring-fenced grant as soon as possible in the week commencing 24 October 2022.

Funding allocations were determined by reviewing the declared requirements of local authorities submitted via the formal bidding process, the details of which have been considered against the information submitted as a part of your authorities' Impact Assessment. To this end, my team have worked with the latest evidence available to them in confirming your funding total.

The Grant Determination document is attached to the end of this letter and contains information on the purpose of the grant. The list of allocations is also included in Annex A and will be published on gov.uk once the payments have been made, in line with the Section 31 process.

Confirmation of receipt

To make the payments as early as possible in October, we need confirmation that your local authority is content to receive the funding allocation set out in Annex A to the Grant Determination attached below. Could you please send an email to bbtp-pha-readiness@defra.gov.uk by **5.00pm on Wednesday 19 October** confirming you are content to receive this funding **week commencing 24 October 2022**.

Arrangements for keeping in touch

Formal reporting to the Department for Environment, Food and Rural Affairs on progress is not a condition of this Grant. However, the department asks local authorities to continue providing voluntary reports, confirming activity that has taken place or been funded, and to continue engaging with Defra on their progress implementing the plans detailed in their impact assessments.

Enquiries

For all enquiries, please contact: bbtp-pha-readiness@defra.gov.uk or your relevant port health engagement manager.

Yours sincerely,



Joanne Bradshaw
Director
Biosecurity, Borders & Trade Programme

Telephone: 07525 011969

Email: joanne.bradshaw@defra.gov.uk

ANNEX A

REVENUE grant determination (non-ring-fenced)

PORT HEALTH TRANSITION FUND GRANT DETERMINATION (2022): No. 31/6315

The Minister of State for Rural Affairs, Access to Nature and Biosecurity (“the Minister of State”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the Port Health Transition Fund Grant Determination (2022) [No 31/6315].

Purpose of the grant

2) To cover the costs arising for the period August-September 2022 from:

- The commitments made by Port Health Authorities to prepare for the introduction of sanitary checks on EU-GB imports of animal products from 1 July 2022;
- Defra’s decision of 20 July 2022 that previous funding arrangements for PHAs would cease at the end of July 2022, reflecting the delay to the introduction of checks on EU-GB imports of animal products. Defra have also announced that they will continue to fund a limited number of Port Health roles to support agencies managing biosecurity risks at the border until new controls are in place.

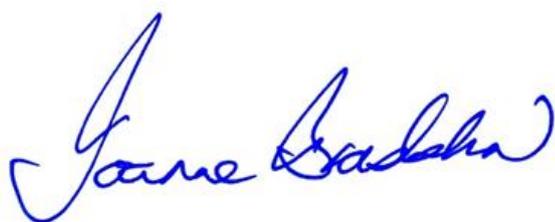
Determination

3) The Minister of State determines as the authorities to which grant is to be paid and the amount of grant to be paid, the authorities and the amounts set out in Annex A.

Treasury consent

4) Before making this determination in relation to local authorities in England, the Minister of State obtained the consent of the Treasury.

Signed by authority of the Minister of State for Rural Affairs, Access to Nature and Biosecurity.



Joanne Bradshaw

Director

Biosecurity, Borders, and Trade Programme

14 October 2022

ANNEX B
List of grant allocations

		England PHA Bids – August and September 2022 Costs	Total: £3,582,165.70
Ecode	Class	Local Authority	£
E2231	SD	Ashford Borough Council	881,224
E1204	UA	Bournemouth, Christchurch and Poole Council	9,282
E0102	UA	Bristol Council	43,913
E5010	LB	City of London	302,500
E2234	SD	Dover District Council	1,478,724
E3538	SD	East Suffolk District Council	346,585.52
E5041	LB	Hillingdon London Borough	190,648
E2337	SD	Lancaster City Council	6,254.66
E1435	SD	Lewes District Council	38,400
E4302	MD	Liverpool City Council	58,075.18
E2437	SD	North West Leicestershire District Council	6,844.34
E1701	UA	Portsmouth City Council	164,785
E0703	UA	Redcar and Cleveland Borough Council	54,929

River Tees Port Health Authority

Contracting out Port Health Services



Public

To: River Tees Port Health Authority **Date:** 02 Dec 2022

From: Corporate Director of Adults and Communities **Decision:** Committee

Portfolio: Health, Housing and Welfare

Outcome: Public Health

1 What is the purpose of this report?

- 1.1 To update members on the planned contracting out of Port Health services to Darlington Borough Council (DBC) to provide official controls for High Risk Food Not of Animal Origin (HRFNAO) arriving into Teesside International Airport (TIA).

2 What is the background to this report?

- 2.1 The service was approached by DBC during September 2022 for assistance with an enquiry from TIA about becoming a Border Control Post (BCP) for HRFNAO.
- 2.2 Following the closure of Doncaster Sheffield Airport (DSA), TIA is looking to apply to the Food Standards Agency (FSA) to become a BCP for HRFNOA. They estimate two consignments of green beans from Kenya will arrive per week into the airport that will be under official controls. BCP approval of TIA is expected before the end of 2022.
- 2.3 DBC approached River Tees Port Health Authority (RTPHA) to ask if it was possible that the team would be able to provide the service on their behalf.
- 2.4 DBC approached the FSA, who confirmed that other Port Health Authorities have contracted out their services to each other where capacity and skills are not available, and the throughput is low.
- 2.5 A meeting and site visit was held at TIA with RTPHA, DBC and FSA to discuss the requirements of the airport and the role of both authorities, and whether the arrangement would be feasible.

During the meeting it became apparent that DSA would close at the end of October 2022, with all flights cancelled and all operations would cease.

- 2.6 Both TIA and the FSA are keen to fast track the application for BCP status to allow cargo previously arriving at DSA to be routed into TIA.

- 2.7 To provide the service, would require 0.16 FTE for around 5 hrs per week. The staffing need would be spread across the following existing team roles;

Officer role	FTE (hrs per week)
Business Support	1
Technical Officer	1
Trading Standards/Environmental Health Officer	2
Principal Environmental Health Officer	1

The Service can accommodate the increase in workload within its current staffing resources.

- 2.8 The income from the additional workload is expected to bring in an additional £5,000 in recovered fees and charges as well as an annual service charge made by DBC to cover any additional ancillary costs such as updating Standard Operating Procedures, providing returns, and attending meetings on behalf of DBC.

3 Who will this benefit and how?

- 3.1 RTPHA will receive a small income for the provision of a service at TIA on behalf of DBS, without increasing the staffing resource from existing levels.

4 Who have we consulted?

- 4.1 Senior Officers of the Riparian Authorities.

5 How will it deliver our priorities and improve our performance?

- 5.1 The throughput of HRFNAO is currently low with around 12 consignments a year being imported through Teesport. The additional work will maintain officer competency and allow the service to train other Riparian officers for increased resilience.

6 What are the resource implications (financial, human resources)?

- 6.1 There are no additional resource implications not mentioned above.

7 What will be the impact on equality and diversity?

- 7.1 There are no equality and diversity issues as part of this report.

8 What will be the impact on our carbon footprint?

- 8.1 There is no direct impact on the carbon footprint as a result of this report.

9 Are there any legal considerations?

9.1 There are no legal considerations at this time.

10 What are the risks involved?

10.1 Failure to keep up to date with the changing situation may put the service at unnecessary financial risk.

11 What options have been considered?

11.1 The report is for information purposes.

12 Recommendations

12.1 For information only.

13 Appendices and further information

13.1 There are no appendices to this report.

14 Background papers

14.1 None

15 Contact officer

Name: Sue Ziolkowski

Address: River Tees Port Health Authority, Belmont House, Rectory Lane,
Guisborough, TS14 7FD

Telephone: (01287) 612404

Email: susan.ziolkowski@redcar-cleveland.gov.uk



River Tees Port Health Authority

2022/23 Financial Position Update and Note on 2023/24 Budget

Public

To:	RTPHA	Date:	2 December 2022
From:	Deputy Treasurer	Decision:	Committee
Portfolio:	Health & Social Well Being		
Outcome:	Business Improvement		

1 What is the purpose of this report?

- 1.1 To update the Board on the financial position of the Authority at the end of October 2022 (Period 07) and to highlight any variances against the 2022/23 approved budget.
- 1.2 To update Members on estimated reserves level and early 23/24 budget estimates.

2 What is the background to this report?

- 2.1 At its meeting on 4 March 2022 the Authority approved a balanced budget position as well as a £123,200 funding contribution from the riparian Authorities, with plans to be self-funding in 2023/24 and no reliance on riparian authority funding from 2023/24.
- 2.2 The original 2022/23 budget had increased significantly compared to 2021/22 because of the expected transition to a Border Control Post (BCP) from 1 July 2022.
- 2.3 Following the Government announcement on 28 April 2022, that no further import controls on EU goods will be introduced in 2022/23 financial year and that Businesses should stop their preparations for July 2022 implementation immediately, a revised budget was approved by the Board on 2nd September 2022 and replaced the previous budget agreed in March 2022.
- 2.4 The revised BCP format, known as the Target Operating Model, is estimated to be due for consultation in late November/early December 2022 with publication early 2023. It is currently still anticipated that new controls will be implemented in late 2023. Budgets for 2023/24 will be prepared based on latest information and will be finalised for approval by the Board on Friday 3 March 2023.
- 2.5 **Appendix 1** provides a detailed comparison of the approved revised operating budget for the Authority, which is analysed by individual type of spending against the actual to date expenditure and income.
- 2.6 A summary of the financial position (at the end of October) is set out in the table below:

	Original Budget 22/23	Revised Budget 22/23	Actual at period 7 (Oct 22)	Projected outturn 22/23	Variance revised budget v projected outturn
Expenditure					
Employee Costs	456,650	280,800	202,237	303,967	23,167
Other Operating Costs	586,900	203,100	168,166	191,650	(11,450)
Total Costs	1,043,550	483,900	370,403	495,617	11,717
Port Health DEFRA Funding	(100,000)	(320,001)	(311,958)	(346,938)	(26,937)
Income including grants	(820,350)	(75,700)	(52,194)	(107,950)	(32,250)
Net Expenditure/Income	123,200	88,199	6,251	40,729	(47,470)

2.7 Key Issues – 2022/23

Variances between the projected outturn position for 2022/23 and the revised budget approved in September 2022 are as follows:

Employee Costs - Salary related costs have increased by £23,167 against the revised budget due to the planned redeployment of staff to other posts working directly for Redcar and Cleveland Borough Council are finalised and confirmed following deferral of commencement of BCP status until at least the end of 2023. Costs incurred for these incremental staff incurred in 2022/23 are to be funded by additional DEFRA funding which is been allocated on a month-by-month drawdown basis.

Other Operating Costs– Non-pay costs have reduced by £11,450 as figures have been updated following postponement of a fully functioning BCP until at least the end of 2023 together including a reduction in the value of the service level agreement.

Income – income includes estimated funding receipt towards cost of imported food and feed safety delivery of c. £30,000 over the remainder of the year together with minor updates to other income streams based on current run rates.

2.8 Fees and charges income is critical to ensuring a balanced outturn position for the service and so the income position is closely monitored to ensure that any issues can be identified as soon as possible.

2.9 A breakdown of the operational income received up to the end of October for the 2022/23 financial year is provided below and further analysis is available in **Appendix 1**:

2.10

Account	Description	Type of Service	2019/20 Full Year Income £	2020/21 Full Year Income £	2021/22 Full Year Income £	2022/23 Period 07 Year to Date Income £	2023/23 Forecast Full Year Income £
R9305	Fees – Environmental Health & Pest control	Products of Animal Origin (POAO)	0	0	0	0	0
		Catch Certificates	0	0	42,941	27,887	44,000
		Sanitation Certificates	23,518	8,260	22,022	14,305	21,650
		Other Fees & Charges	14,170	4,115	14,517	10,001	12,300
		Total Fee Income	37,688	12,375	79,481	52,194	77,950
		Grants	262	0	0	0	0
		Total Income	37,950	12,375	79,481	52,194	77,950

2.11 **Overall Financial Position** – Based on the projected outturn figures set out above, the Authority would have a net budget overspend position of £40,729, before the receipt of contributions from the Riparian Authorities. This forecast is based on actual expenditure and operational income up to the end of October. The position will be closely monitored throughout the rest of the year and officers continue to be in discussions with DEFRA on a regular basis to understand next steps and future plans for the BCP.

3 Estimated Reserves and 23/24 budget

3.1 The estimated reserves balance of RTPHA are a key indicator of financial strength and the estimated position of these reserves as at 31 March 2023 is set out below. Reserves are projected to increase from their opening balance of £85,652 to around £168,000 by 31 March 2023.

Reserves	£
Balance 1st April 2022	85,652
Estimated loss for year	(40,729)
Riparian financial contributions for the year	123,200
Estimated balance 31st March 2023	168,123

3.2 With uncertainty around future plans for the BCP, at this stage the draft budget is being prepared based on the assumption that the BCP does not open in 23/24 financial year as shown in appendix 2.

3.3 The draft budget figures for 2023/24 indicate a larger funding requirement of c. £0.187 million, including the funding of four Full Time Equivalents to deliver the service, with gross cost of £0.171 million (increased from 2 in 2020/21). This staffing requirement will be reviewed based on clarification of BCP plans over the coming months.

3.4 Other revenue and overheads are assumed at a similar level to 2022/23, with the

exception of food standard agency income of £30k in 22/23 which is not assumed to continue into 2023/24.

An arrangement to sub-contract expertise to assist with import controls is currently in discussion with Darlington Council and is subject to contract finalisation. This could generate c. £10k of income. This additional income will be included in the final budget if confirmed by early March 2023.

- 3.5 It is provisionally proposed that Riparian contributions are increased by 15% in 23/24 to help cover the significant levels of inflation incurred in 22/23 and to cover further expected inflationary pressure in 23/24, increasing overall contribution to £142k as detailed below. Formal request to increase these riparian authority contributions will be made on 3rd March 2023.

Contributions based on Board agreement.	2022/23	Proposed 2023/24
Middlesbrough 15%	(18,480)	(21,252)
Stockton 31%	(38,192)	(43,921)
Hartlepool 2%	(2,464)	(2,834)
Redcar & Cleveland Borough Council 52%	(64,064)	(73,674)
	(123,200)	(141,680)

- 3.6 The estimated shortfall between the in-year funding requirement of £0.187 million, and the proposed Riparian contributions of £142k is c. £0.045 million. It is provisionally proposed that this would be drawn down from the expected reserve position on 31 March 2023, £168k, leaving approximately £123k in reserves at 31 March 2024. By 31 March 2024, it should become clearer what the strategic plans are for the BCP, and income and expenditure budgets can be updated accordingly.
- 3.7 Should clarification be received that BCP will be opening during 2023/24, budgeted forecasts will be updated accordingly, including the requirement to increase revenue income, staffing and non-staffing costs.
- 3.8 A full budget summary will be prepared for consideration and approval by the Board on 3 March 2023.

4 Who will this benefit and how?

- 4.1 Timely, accurate and up to date financial information is a key characteristic of good corporate governance. Members need to have these details and be aware of any issues against the agreed budget when making decisions on service delivery, staffing, training, and other regulatory matters.
- 4.2 A well-managed and responsive service which uses its financial assets properly will create and maintain a better relationship with external stakeholders.

5 Who have we consulted?

- 5.1 The original budget was set in consultation with Members, the Treasurer and Clerk for the Authority and the Environmental Health (Commercial) team at Redcar and Cleveland Borough Council.
- 5.2 The financial position and any issues in year have been discussed between principal environmental health officers of the riparian authorities and finance staff as required.

Any critical issues or pressing budget matters would be discussed and consulted with the Chair and Vice Chair as appropriate.

6 How will it deliver our priorities and improve our performance?

- 6.1 The approved budget ensures that RTPHA can discharge its functions on behalf of the riparian authorities.
- 6.2 Finance is an integral element in delivering quality services and improving performance.

7 What are the resource implications (financial, human resources)?

- 7.1 The resource implications are outlined in the main body of the report.

8 What will be the impact on equality and diversity?

- 8.1 There are no equality and diversity issues as part of this report.

9 What will be the impact on our carbon footprint?

- 9.1 There is no direct impact on the carbon footprint because of this report.

10 Are there any legal considerations?

- 10.1 There are no specific legal issues to consider because of this report.

11 What are the risks involved?

- 11.1 The information in the report acts as a management control to ensure that the financial activities of the Authority are being managed properly and resources used effectively. Without setting a budget and providing monitoring information the Authority would not be able to ensure that value for money is secured in pursuit of its objectives. Decisions made may be poorly informed or the wrong decision made without accurate and up to date information.

12 What options have been considered?

- 12.1 The report is predominantly for information purposes although there are always options as to whether to use reserves for another specific purpose.

13 Recommendations

- 13.1 It is recommended that members note the financial position of the Authority as set out in this report and at Appendix 1 and question any variances from the original budget as they think appropriate. Members are also asked to note and comment on the draft financial budget for 2023/24.

14 Appendices and further information

- 14.1 Appendix 1 – Budget Monitoring Position October 2022/23.
Appendix 2 - Draft Budget 2023/24

15 Background papers

15.1 None

16 Contact officer

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RIVER TEES PORT HEALTH AUTHORITY

BUDGET MONITORING POSITION 2022/23

POSITION AT END OF OCTOBER PERIOD 07

	Budget 22/23	Revised Budget 22/23	YTD Actual	Projected Outturn 22/23	Variance (Revised Budget v Projecte d Outturn)
R1000 Salaries - Basic Pay	356,200	225,150	164,664	242,616	17,466
R1001 Salaries - National Insurance	33,200	23,650	17,146	25,751	2,071
R1003 Salaries - Overtime	26,150	4,300	3,015	6,194	1,894
R1006 Salaries - Superannuation	36,750	23,350	16,787	25,085	1,735
R1063 Other Allowances	2,750	2,750	0	2,750	0
R3400 Car Allowances	1,600	1,600	625	1,600	0
	456,650	280,800	202,237	303,966	23,167
R1650 External Training	1,000	1,000	0	1,000	0
R4000 General Equipment	15,000	10,000	8,421	10,000	0
R4200 Clothing & Uniforms	5,000	1,000	326	1,000	0
R4300 Printing & Stationery	100	100	0	100	0
R4305 Photocopier	50	50	0	50	0
R4400 Professional Fees	515,650	179,900	156,546	170,000	(9,900)
R4507 Mobile Phones	700	700	361	700	0
R4531 Computer Software	43,850	7,500	2,511	6,500	(1,000)
R4701 Subscriptions	1,750	1,750	0	1,200	(550)
R4960 Insurance	3,800	1,100	0	1,100	0
	586,900	203,100	168,166	191,650	(11,450)
B0607 Products of Animal Origin	(744,650)	0	0	0	0
B0608 Catch Certification	(44,000)	(44,000)	(27,887)	(44,000)	0
B0376 Sanitation Certificates	(21,650)	(21,650)	(14,305)	(21,650)	0
B0377 High Risk Products Imports	(300)	(300)	(1,869)	(1,900)	(1,600)
B0378 Organic Certificates	(2,050)	(2,050)	(575)	(1,000)	1,050
B0379 RTPHA Permits (annual fee)	(2,350)	(2,350)	(684)	(700)	1,650
B0380 Plastic Declaration	(200)	(200)	(687)	(700)	(500)
B0381 Water Sampling	(5,150)	(5,150)	(6,186)	(8,000)	(2,850)
	(820,350)	(75,700)	(52,194)	(77,950)	(2,250)
R9000 Government Grants (Shortfall funded by DEFRA)	(100,000)	(320,001)	(311,958)	(346,938)	(26,937)
R9102 Food Standards Agency	0	0	0	(30,000)	(30,000)
Total	123,200	88,199	6,251	40,729	(47,470)

RIVER TEES PORT HEALTH AUTHORITY

DRAFT BUDGET 23/24

Appendix 2

	Projected Outturn 22/23	Draft Budget 23/24	Variance
R1000 Salaries - Basic Pay	242,616	131,700	(110,916)
R1001 Salaries - National Insurance	25,751	14,550	(11,201)
R1003 Salaries - Overtime	6,194	6,500	306
R1006 Salaries - Superannuation	25,085	13,850	(11,235)
R1063 Other Allowances	2,750	2,850	100
R3400 Car Allowances	1,600	1,600	0
	303,966	171,050	(132,916)
R1650 External Training	1,000	500	(500)
R4000 General Equipment	10,000	1,000	(9,000)
R4200 Clothing & Uniforms	1,000	500	(500)
R4300 Printing & Stationery	100	100	0
R4305 Photocopier	50	50	0
R4400 Professional Fees	170,000	80,800	(89,200)
R4507 Mobile Phones	700	700	0
R4531 Computer Software	6,500	7,600	1,100
R4701 Subscriptions	1,200	1,200	0
R4960 Insurance	1,100	1,100	0
	191,650	93,550	(98,100)
B0607 Products of Animal Origin	0	0	
B0608 Catch Certification	(44,000)	(45,300)	(1,300)
B0376 Sanitation Certificates	(21,650)	(22,300)	(650)
B0377 High Risk Products Imports	(1,900)	(500)	1,400
B0378 Organic Certificates	(1,000)	(2,100)	(1,100)
B0379 RTPHA Permits (annual fee)	(700)	(700)	0
B0380 Plastic Declaration	(700)	(200)	500
B0381 Water Sampling	(8,000)	(6,000)	2,000
	(77,950)	(77,100)	850
R9000 Government Grants (Shortfall funded by DEFRA)	(346,938)	0	346,938
R9102 Food Standards Agency	(30,000)	0	30,000
Total	40,729	187,500	146,772