

WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL

WORCESTERSHIRE REGULATORY SERVICES

MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE

THURSDAY 20TH FEBRUARY 2014, AT 4.30 P.M.

THE COUNCIL CHAMBER, THE COUNCIL HOUSE, BURCOT LANE,
BROMSGROVE

SUPPLEMENTARY DOCUMENTATION

The attached papers are an additional item to be added to the Minutes previously distributed relating to the above mentioned meeting.

The Worcestershire Regulatory Services Service Plan 2014-2015 has been updated to incorporate the comments received from the Worcestershire Shared Services Joint Committee Members during the meeting as detailed above and referred to in the minutes of the above meeting as detailed at Minute No. 39/13.

7. Worcestershire Regulatory Services Service Plan 2014-2015 (Pages 1 - 50)

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12th March 2014

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Service Plan

2014/15

Worcestershire Regulatory Services Vision

"That Worcestershire is a healthy, safe and fair place to live, where businesses can thrive"

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EXECUTIVE SUMMARY

The plan broadly follows previous years and outlines:

- How the service will operate over the following 12 months to deliver on both national and local priorities, some of which are highlighted in the plan,
- What activities the service will carry out to achieve or address those priorities and how success will be measured.

The Service will enter 2014/15 with a total agreed budget of £4,413,000, a reduction of 21% on the previous financial year. This has resulted from an agreed across the board reduction of £646,000, which has been supplemented by additional significant reductions in contribution from Worcestershire County (£500,000) Wyre Forest (£37,000) and Worcester City (£30,000.) Virtually all partners are indicating a need for further savings for 2015/16 onwards. The lack of financial stability and stable cost base makes service planning and development very challenging.

A 3-year financial plan has been developed which involves the service continuing to make additional savings whilst looking at areas where changes in service delivery can be made. Where possible these will have limited impact on the public and businesses, however, it is accepted that the proposed scale of reduction envisaged by the County Council can only be delivered by a significant change and scope in delivery of Trading Standards and Animal Health functions. The service will continue to examine opportunities for commercial activities to bring in additional income, however such income streams are certain to be small compared with the scale of budget savings required.

The service is realistic about the current financial landscape and is pragmatic regarding the level of further potential savings that partners may require. To meet the challenges of increasing budgetary pressures, the medium term financial strategy has changed so that the key focus is on Strategic Partnering. This has developed so it is currently focused on seeking a private partner who will invest in the service, maintain current service levels at a reduced cost and give opportunities to bring in income from other contract sources. Whilst other ways of generating income will continue to be explored, it has become clear over the past 12 months that the opportunities for income generation are limited and that there is a general reluctance from business to pay for advice from the local regulator. Work done on behalf of WRS by the County Council's Research and Intelligence Unit showed that many businesses pay for professional advice but are reluctant to pay for this advice from a public body. A private partner may be able to overcome this reluctance and generate levels of income beyond the cost of delivery, but at this stage we are not able to say if the income will be at the level required to replace the loss of funds from local authority partners. There also appears to be reluctance from neighbouring local authorities to join the partnership on the kind of terms being offered. Most have been approached in the past 12 months and none have gone beyond the discussion stage and a private partner bringing a different skills set to the negotiations may be able to secure work and thus income providing regulatory services for other public bodies.

In making decisions regarding service delivery the service will continue to risk assess what it does taking into account the following criteria:

- a) Is there a positive/ negative impact on the local economy?
- b) Are vulnerable people impacted?
- c) Are health and wellbeing issues involved?

The work on our risk matrix of services, which has the approval of both Management Board and the Joint Committee, will continue to inform this approach where possible.

INTRODUCTION

This is the fourth formal annual service plan to be produced by Worcestershire Regulatory Services and the third since the co-location of all staff at Wyatt House in Worcester. It follows a similar format to the previous plans with an Executive Summary and much of the detail in appendices that follow on from the commentary. The financial information covers the three year accounting period 2014/15, 2015/16 and 2016/17 however the operational detail reflects the planned activities that the service will undertake in 2014/15 only. The latter is in recognition of the ongoing discussions with partners as to the shape and composition of service delivery in future years..

2013/14 was again very busy and successful for WRS, dominated by the implementation of a single IT platform and latterly with the financial difficulties faced by all partners. In these challenging times, officers have continued to deliver excellent work, with some excellent results in Court. Details of this will be reported in the Annual Report to be produced at the end of May 2014.

The coming year promises to be very challenging and is likely to be dominated by financial pressures and further significant changes to staffing levels. With the scale of budget review currently proposed, major changes in service delivery are likely, particularly in relation to Trading Standards and Animal Health provision. The budget for 2014/15 was initially agreed at £4.98M, a reduction of £646K being achieved by efficiencies and some reductions in service areas which partners had identified as not being a priority.

However, three partners have requested additional savings on top of this and all partners have provided a profile of their savings requirements over the three years going forward. The service budget for 2014/15 is likely to end up around £4.4M. This will represent a reduction of approximately 40% compared with the £7.15M spend on relevant functions when the service came together in 2010. The service faces the same challenges that beset all of local government over the next few years.

To meet the challenges of radically changing the method of service delivery combined with reducing costs, the medium term financial strategy has changed so that the key focus is on Strategic Partnering. This has developed so it is currently focused on seeking a private partner who will assist maintain current service levels at a reduced cost and give opportunities to bring in income from other contract sources, whilst other ways of generating income will continue to be explored.

It has become clear over the past 12 months that the opportunities for income generation are available but there is a general reluctance from business to pay for advice from the local regulator. Work done on behalf of WRS by the County Council's Research and Intelligence Unit showed that many businesses pay for professional advice but are reluctant to pay for this advice from a public body. A private partner may be able to overcome this reluctance and generate levels of income beyond the cost of delivery, but at this stage we are not able to say if the income will be at the level required to replace the loss of funds from local authority partners. There also appears to be reluctance from neighbouring local authorities to join the partnership on the kind of terms being offered. Most have been approached in the past 12 months and none have gone beyond the discussion stage and a private partner bringing a different skill set to the negotiations may be able to secure work and thus income providing regulatory services for other public bodies.

Moving customers onto the most efficient operating channel will also be a focus of 2014/15. By 1st April 2014, the first contact point will have moved from the Hub Shared Service into WRS. This should allow an improved first contact, a gradual increase in the volumes of service requests being resolved at first contact point and better signposting to other agencies. Improvements in the website and the development of the public service module within the new database application should also improve

OPERATING ENVIRONMENT

A PESTEL analysis appears as Appendix D, which outlines the nature of the environment within which the service operates. It has to focus on both national and local drivers as the majority of services delivered by WRS form part of the jigsaw puzzle that is part of the UK's national regulatory framework. At the national level the external environment in which the Service operates continues to face unprecedented challenges. National government continues to set challenging financial targets for local government and challenges regulators to show how regulation supports businesses and economic growth, whilst supporting and protecting local residents.

There is still a perception from some sectors of business that local authority regulators follow are not here to help and we know this is not the case, and along with colleagues in the professional institutes and the Local Government Association and the Local Enterprise Partnerships, we have sought to challenge this, hence the review and re-issuing of the Regulator's Compliance Code and the work with both Worcestershire Local Enterprise Partnership (WLEP) and the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) to promote business help and advice..

The service is facing a challenge from partners to change the way it delivers services to meet funding expectations whilst seeking to minimise any potential impact of this where it can. The service will continue to look for efficiencies where possible, and look to generate income to assist with the offsetting of budget shortfalls. However, the level of reduction requested by some partners cannot be delivered through efficiencies alone. There seems to be unwillingness on the part of businesses to pay local regulators for the advice that they have received previously without charge. This is likely to limit our ability to generate income from such sources without the assistance of a strategic partner..

The budget for 2014/15, originally agreed at just over £4.9M, is now subject to requests for further savings of:

- £30k from Worcester City
- £37k from Wyre Forest
- £567k from Worcestershire County

At the time of writing, discussions on how to deliver these savings are underway with firm proposals put forward by WRS..

Shifting demand to the use of more cost efficient digital channels will be a major focus of efficiency proposals, with self help in relation to service requests being a major area for action. Increasing the volume of helpful information on the service's website and giving public access to some of the data from our database (e.g. public registers being available on-line, effectively published directly from the database,) will help. Giving customers the ability to monitor the progress of their service request on-line may also deliver some improvements in efficiency at the margins. Some care will need to be taken with this as some customers may find this difficult and it may be that face to face interaction is the most efficient channel for their demand.

The falling headcount in the service means that we are considering better use of our office space at Wyatt House. We are currently working with County Property Services, looking at how we might sublet part of the building to off-set costs. However, should the reductions in headcount continue going forward, the most cost-effective move for the service may well be to re-locate elsewhere. Partners need to consider this as part of the long term savings programme.

This year will however be dominated by the search for a Strategic Partner to take the service forward. This is likely to involve some form of partnership model (yet to be decided) of service delivery, with a partner making an investment into the service both to maintain capacity and to allow it to generate income from contractual activity elsewhere in the country. An OJEU notice will be published in March to begin a competitive dialogue process to find a potential partner and the process will last 9-12 months and involve discussions around a range of topics including governance.

Staff are now using the new IT system and this will improve our ability to provide performance and activity data to members. However, there are some areas like public access which are still being developed with the contractor. Officers are already working flexibly, only attending Wyatt House 2 or 3 days per week, the rest of the time using either home or a touchdown site in another local authority building as their start and finish point for work. This helps to control the mileage bill and allows staff to have a better work/ life balance. At the time of writing, we are still assessing the final hardware needs for staff in the field but we hope to have ordered the relevant equipment before the end of the 2013/14 financial year. This should further improve officer's ability to work on a remote basis.

We will continue to work with bodies like the Worcestershire LEP and the Greater Birmingham and Solihull LEP to engage with businesses and where possible support business growth. The main challenge is how we continue to provide this advice and it what form this advice should be and should it be charged for? A major focus will continue to be on enforcement activity in relation to the genuine rogues and inspecting the highest risk businesses (manufacturers and importers.) From 2015, the LEPs are likely to have funding from central government to support businesses and it may be that we can tap into this to fund some of our business advice work.

STRATEGIC PRIORITIES

The Government tasked the BDRO (Better Regulation Delivery Office) with developing Priority Regulatory Outcomes for England for local authorities to consider when undertaking their service planning processes. Published in May 2011, the list is as follows:

1. Support economic growth, especially in small businesses, by ensuring a fair, responsible and competitive trading environment
2. Protect the environment for future generations including tackling the threats and impacts of climate change
3. Improve quality of life and wellbeing by ensuring clean and safe neighbourhoods
4. Help people to live healthier lives by preventing ill health and harm and promoting public health
5. Ensure a safe, healthy and sustainable food chain for the benefits of consumers and the rural economy

These are much less prescriptive than the previous priorities (Roger's Priorities,) and reflect the more localist approach favoured by the current government. The aim of these priorities is to help local authority regulators demonstrate their links to the main corporate priorities of their parent councils and, by being less prescriptive, to give those authorities a better opportunity to shape what is delivered to local need. They have been used previously by the service for this purpose and still dove-tail well with the priorities of the seven partners across Worcestershire. Whilst the wording is slightly different for each partner, the commonalities and similarities are such that the BRDO strategic priorities will enable us to engage with issues that matter across the districts and at county level. The service will also have the flexibility to engage with members and other stakeholders to identify any truly local priorities which may not easily fit into any of the above and this may for example cover issues around licensing and levels of enforcement of certain provisions.

In taking into account the affect of the potentially challenging budget situation moving forward and how the service can deliver against national and local priorities, there is no question that changes in service delivery and scope will be an inevitable consequence of further funding changes. We will need to prioritise what is delivered, to whom and how. To assist in this decision making, a risk matrix was developed last year and approved by Management Board and Joint Committee, which identifies 3 key criteria to consider when making decision on service provision:

- a) Are vulnerable people impacted
- b) Are there Health and Well Being issues involved
- c) Is there a positive/negative impact on economic activity

This piece of work will continue to inform any process of service contraction that may be required. Care must also be taken to ensure that, whenever possible, demand which can no longer be met is simply not re-directed to partners in other ways e.g. complaints, and that partners do not then face challenges relating to whether or not they are meeting their statutory obligations.

The service will continue to engage with the two local LEPs to ensure it is linked to the business growth agenda. It is also working with the BRDO on a pilot to carry out an Economic Impact Assessment for Regulatory services to enable us to put a financial value or benefit to the work we do within the local community and especially how this benefits local business. This will be an important tool to inform members and other stakeholders considering potential changes in service delivery, and will also form part of a process to improve our profile with both the public and members across Worcestershire. Previously the Office of Fair Trading has indicated that, for every pound (£) that a local authority invests in its Trading Standards services, the local community benefits to the tune of £6. It will be good to have a similar figure reflective of the wider regulatory portfolio.

5. PURPOSES

Following its Systems Thinking work, WRS adopted 3 purposes to underpin service delivery and provide a common thread to run through all of its functions.

1. Help me resolve my problem and stop it from happening to anyone else,
2. I want to assume everything is ok
3. Help me trade well and ensure my competitors do the same.

These purposes are expressed in terms a customer (member of the public or a business,) might use and provide a focus for staff. They form the basis for reporting performance of the Service, focusing on outcomes, and have been agreed by the Joint Committee. These purposes, combined with the priorities outlined by BRDO, encapsulate the Service's contribution to the wider community agenda, reflecting as they do the broad themes relevant to all partners.

6. FINANCE

A summary of the budget position for 2014/15 is shown at Appendix B, along with the proposed budgets for the following two years. This includes an indication of the levels of saving partners are considering at the time of writing. Obviously the financial position may change going forward. A more detailed breakdown will be available to the Joint Committee in its regular financial reports. Income levels outside of the strategic partnering option are difficult to estimate and, from previous research, they will be limited as businesses are reluctant to pay the service for advice.

7. STRATEGIC PARTNERING

The service is entering into a process to look at engaging with a private sector partner to deliver the services currently provided via the WRS shared services arrangement. If successful, this is likely to lead to a partnership encompassing some or all or some elements of service delivery

involving a private partner. Soft market testing of the concept will be followed by the issuing of an OJEU notice in March 2014. The process of competitive dialogue will be used to try to identify a partner who is willing to deliver the existing service with current levels of performance but at a reduced cost and, ideally someone who will invest in the service to generate income to further reduce the cost to partners in the longer term.

It is currently anticipated that the competitive dialogue process will run into the autumn of 2014 and a report will be submitted to Joint Committee at this point with details of the outcome. Should a successful outcome be achieved, a series of activities would need to take place to make the broader elected member cohort aware of the situation, before going to each Council for formal adoption of this method of service delivery. On this basis, if it is successful, this new arrangement would likely be in place between April and July 2015.

8. AUDIT ARRANGEMENTS

The Internal Audit Service will be provided under the current arrangement by Worcester City Council to the Host Authority. The participating authorities S151 Officers will consider the Audit Plan of the Host to ensure adequate arrangements are in place. An assurance statement and copies of relevant Audit reports will be made available to the S151 officers when audits are undertaken. External Auditors appointed by our hosts will provide an Audit opinion of the Joint Arrangement as a separate entity to the Host's financial reports.

The Financial Statement of Accounts will be presented to the Joint Committee in June for approval within the statutory deadline. Member Authorities will liaise about requests from their Overview and Scrutiny Committees and Audit Committees. They will use reasonable endeavours to agree joint scrutiny arrangements with a view to avoiding duplication of effort

9. ACTIVITIES & OUTCOME MEASURES

The implementation of the new IT system will allow the service to report more accurately on activities. The service has continued to work with members to demonstrate the service's performance and the service's current core performance indicators are listed as Appendix C. These have been amended following the half day session with Joint Committee members in January 2014. Further amendments may arise to take on board all comments from this event.

The activities outlined below are examples of what is planned by the service. We believe that activity data combined with the core performance indicators will give Members the confidence that the Service is performing well, given the current financial constraints, and contributing to the wider local agenda. The approach is very much in line with Government thinking in terms of reducing burdens on and supporting local businesses whilst tackling rogues who would ignore their responsibilities and criminals who use business as a model for generating criminal assets. It also addresses the significant demand that comes into the service as complaints/ service requests, covering a wide range of issues and concerns from residents, visitors and businesses within Worcestershire.

	OUTCOME	WHAT WE WILL DO	PURPOSE	NATIONAL PRIORITY	MEASURES
1	Businesses are supported to become compliant with the law and successful (IPPC, H&S, Food, Fair Trading, Licensing)	<p>Provide businesses with advice and assistance using a range of channels.</p> <p>Conduct risk based/ intelligence-led interventions with businesses; targeting resources towards potentially non-compliant businesses</p> <p>Undertake intelligence led projects including sampling of various consumer products including food.</p> <p>Develop Commercial Products that businesses would be willing to pay for that would enhance business performance</p>	<p>I want to assume everything is ok.</p> <p>Help me trade well and ensure my competitors do the same</p>	1, 2, 3 and 5	<p>% businesses meeting purpose at first assessment/ inspection</p> <p>% of service requests where resolution is achieved to business satisfaction</p> <p>% of food businesses scoring 0,1,2* at 1st April each year</p>
2	Doorstep crime is tackled and older people are supported and feel safer in their homes	<p>Respond to complaints and take appropriate action</p> <p>Promote alternative to doorstep interaction e.g. Trader Register</p> <p>Share intelligence with Police and other partners</p> <p>Participate in multi-agency events e.g. Rogue Trader Day</p>	<p>Help me to solve my problem and stop it from happening to anyone else</p> <p>I want to assume everything is ok.</p> <p>Help me trade well and ensure my competitors do the same</p>	1 and 3	<p>% of service requests where resolution is achieved to customers satisfaction</p>

3	Reduced number of complaints about businesses in Worcestershire, improving the local economy	Respond to complaints and take appropriate action Provide businesses with advice and assistance Identify highest areas of demand and develop control strategies for tackling them e.g. motor trade, home improvements,	Help me to solve my problem and stop it from happening to anyone else Help me trade well and ensure my competitors do the same	1	% of service requests where resolution is achieved to customers satisfaction % of service requests where resolution is achieved to business satisfaction
4	Reduction in nuisance and other pollution related issues	Respond to complaints and take appropriate action Provide relevant advice and information, available through a range of channels.	Help me to solve my problem and stop it from happening to anyone else Help me trade well and ensure my competitors do the same	2 and 3	% of service requests where resolution is achieved to customers satisfaction
5	Reduced environmental emissions leading to reduced environmental damage	Conduct risk based/ intelligence-led interventions with businesses, especially permitted premises	I want to assume everything is ok	2	% businesses meeting purpose at first assessment/ inspection
6	Licensed premises cause no significant alcohol-fuelled crime/ disorder and ASB.	Respond to complaints regarding alcohol and similar licensing related issues e.g. underage sales, breach of conditions, poor conduct of licence holders, etc. Provide businesses with advice and assistance	I want to assume everything is ok Help me to solve my problem and stop it from happening to anyone else Help me trade well and ensure my competitors do the same	1 and 3	% of licensed businesses subject to allegations of not upholding the 4 licensing objectives
7	Taxi's drivers are suitable people to be licensed for the role and vehicles are safe whilst in use for Hackney Carriage / Private Hire activity	Conduct risk based/ intelligence-led interventions with taxi firms Respond to complaints and take appropriate action Provide businesses with advice	I want to assume everything is ok Help me to solve my problem and stop it from happening to anyone else	3	% of applicants for driver licenses rejected as not fit and proper % of vehicles found to be defective whilst in service

		and assistance	Help me trade well and ensure my competitors do the same		
8	Better educated, more aware consumers, who are more confident and make better informed choices	Respond to complaints within service scope as appropriate Provide relevant advice and information, available through a range of channels.	Help me to solve my problem and stop it from happening to anyone else	1	% of service requests where customer indicates they feel better equipped to deal with issues themselves in future
9	Consumers able to make informed choices on where to eat or purchase food through published food hygiene ratings.	Implement and promote a county wide food hygiene rating scheme Publish hygiene ratings and accrediting those which improve health and wellbeing of their workforce.	I want to assume everything is ok Help me trade well and ensure my competitors do the same	4 and 5	% businesses meeting purpose at first assessment/ inspection
10	High levels of customer satisfaction	Respond to complaints and take appropriate action Enabling customer access to services, where possible, by their chosen means Getting it right first time so, where possible, we deal with customers through a single contact Maintain a register of compliments and complaints with actions taken	I want to assume everything is ok Help me to solve my problem and stop it from happening to anyone else Help me trade well and ensure my competitors do the same	1, 2, 3 and 5	% of service requests where resolution is achieved to customers satisfaction % of service requests where resolution is achieved to business satisfaction
11	Having engaged and satisfied staff who have the right skills, tools and support	Develop a training plan Undertake annual staff survey. Undertake annual staff performance reviews with regular feedback sessions from supervisors and managers	All officers must be able to undertake work relating to the three purposes	1, 2, 3, 4 and 5	Staff sickness and absence at public sector national average or better % of staff who enjoy working for WRS

12	<p>Maintained preparedness for response to emergencies, including disease outbreaks.</p> <p>Maintenance of profitability in farming industry and consumer confidence in its products</p>	<p>Take part in partner exercises to test plans, as appropriate</p> <p>Conduct risk based/ intelligence-led interventions with businesses</p> <p>Respond to disease notifications and outbreaks</p> <p>Respond to complaints regarding farmed animal welfare</p>	<p>I want to assume everything is ok</p> <p>Help me to solve my problem and stop it from happening to anyone else</p> <p>Help me trade well and ensure my competitors do the same</p>	<p>1 and 5</p>	<p>Disease response plans are maintained, reviewed and updated on a regular basis</p> <p>Business Continuity plans are maintained, reviewed and updated on a regular basis</p> <p>% businesses meeting purpose at first assessment/ inspection</p>
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10. PERFORMANCE REPORTING

Performance against outcomes will be reported to Management Board and Joint Committee quarterly, six-monthly or annually, depending on the measure. The new IT platform will enable the collection and analysis of measures data which will be both accurate and robust. The service's ability to provide activity data has improved in the second half of 2013/14 as the IT implementation plan has gone forward, and the system should be ready for reporting purposes by the beginning of 2014/15. Members will continue to be engaged so that we can update the type and extent of performance and activity type information required by them, so that they can be reassured that the service is delivering what is required.

11. STRUCTURE

The saving requirements for 2014/15 have meant that we have reduced management capacity at both Team Manager Level (5 to 3,) and Senior Practitioner level (12 to 10.) To help maintain resources at the front line, and the need to meet further budget challenges on behalf of partners and to cope with the reduction in management resources a re-structuring of the service to help deliver the Trading Standards and Animal Health functions has been carried out.. The re-structuring will allow the service to deal with the most serious and difficult matters being tackled, by pooling expertise in certain areas.. This unit will continue to operate alongside the Geographic Environmental Health teams so that the two Managers can continue to look at opportunities for cross skilling.

The movement of Animal Health has also impacted on the Central Operations team however the break up of the Strategic Services Team sees their planning and IPPC unit moving together with the Air Quality and Contaminated Land team to form out new Technical Pollution unit. This will further pool the expertise drawn on by partners as part of the planning process.

The end of the IT implementation has allowed the Licensing and Support Services Manager to take another look at how her team functions. The introduction of the in-house first contact unit has also necessitated this. Close working with the Licensing team should mean that customers see an improved service (25% plus of contacts with the Hub have been shown to relate to district Licensing matters,) and a more integrated approach to licensing and support activities may yield further efficiencies.

The new structure, at Appendix A, therefore contains:

- 1) A core Environmental Health unit, providing Food Hygiene, Health and Safety, Public Health and Nuisance functions on an East: West Geographical basis. The East/West split still offers a better balance of workloads for our teams compared with the commonly used North: South alignment.
- 2) A Trading Standards and Animal Health unit providing Legal Metrology, Food and Agricultural Standards, Product Safety, Fair Trading and Animal Health functions on a county-wide basis,
- 3) A Technical Pollution and Dog Wardens unit, which provides all environmental health support around planning matters, delivers IPPC inspection, most of the water quality work across Worcestershire, monitors the pest control contracts and directly delivers the Dog Wardens service. This team may be a short lived arrangement pending future developments, so it will be covered by an "acting-up" management role only.
- 4) The Licensing and Support Services unit will deliver in-house first contacts, all WRS licensing administration and the wider in-house clerical/administrative/ IT and financial support that is required. .

12. TRAINING AND DEVELOPMENT OF MULTI-FUNCTIONAL TEAMS

The most significant success of cross working has been the integration of the county council's petroleum licensing function with the district IPPC function. Petroleum storage is generally a medium risk function (2 yearly visit,) however petrol stations must also be inspected every 3 years for pollution control purposes in relation to vapour recovery. Bringing the two together into a joint IPPC/ Petroleum/ Health and Safety inspection programme will deliver this work more efficiently and the slightly reduced inspection frequency (2 years down to 3) will pose no greater risk to the public as the vast majority of stations are well run by large organisations like the supermarkets and petrol retailers. Spreading this work amongst a small pool of people has also established better resilience within the service, something which the Trading Standards team struggled with when it was part of the County Council due to the very narrow specialist focus that the activity represented and its lack of links to other TS related activity. It has been harder to replicate this with other functions.

Initial thinking when developing the service was that multi-functional officers could provide a wider range of options for intervention creating a more cost effective service. However, what we continue to see from our activities is that where an activity requires good communication skills but can be undertaken with limited technical knowledge, a wide range of officers can undertake this work. Domestic nuisance complaints are probably the best example of this type of activity and they represent quite a large volume of reactive work. However, as soon as technical knowledge becomes a significant input into an activity, it requires a person with higher levels of competence to undertake this. So other activities, for example consumer civil legal advice, industrial noise nuisance investigation, food factory inspection, all need both good communication skills and a high degree of competence to ensure correct legal process is followed and accurate legal advice is given. Hence, they require staff with significantly better specialist knowledge.

The development of self-help as the initial response to less serious service requests will also support this approach. Work on the Worcester City pilot suggests that around 20-25% of non-noise related nuisance demand can be dealt with by self service. These will, however be just the kind of simple requests that a "non-expert" could deal with. As this type of demand is more widely referred for self service, this will mean that the remaining volumes will by definition be more likely to fall into the category mentioned above that requires a higher level of knowledge to achieve resolution.

Similarly, with proactive work, businesses tend to fall into different spheres of influence, where the main focus of regulatory interest is either a combination of Food Hygiene/ Health and Safety/ Pollution or a combination of Food Standards/ Product Safety/ Fair Trading/ Weights and Measures. This fits with an assessment by the Trading Standards Service in Essex and their colleagues at two of their districts, where there was only a 3% overlap in businesses commonly contacted by both district EH teams and the county TS service. Given that one of the key messages from businesses seems to be that they want a single point of contact, knowledgeable about the things that matter, it is likely that their main contact will be either an officer with an Environmental Health background or an officer with a Trading Standards background.

We will continue to test these ideas going forward, with our Geographic Environmental Health teams and the newly established Trading Standards and Animal Health unit. Those two Managers will work together looking at areas that might facilitate cross working. This will help to show how far we can push our concept of making staff more generic and how helpful this actually is to service delivery. The Manager of the Environmental Health team will also focus on improving the level of generic working within this professional area so that it is more reflective of the generic approach taken within Trading Standards.

The BRDO Regulatory Delivery Needs Analysis (RDNA) toolkit was originally envisaged as a key tool to support our officers in identifying the gaps in their on-going competence however it has not been as successful as we had hoped. BRDO has not achieved the level of buy-in that they had hoped and they have yet to create a full portfolio of modules covering all relevant aspects of regulation. This tool, based on a model used by the Health and Safety Executive, retains its original failing in that it is highly bureaucratic for officers delivering more than one function, because the officer must review each of the functions that they deliver separately. BRDO accept that this is a flaw in the basis of the model but they do not appear to be looking at how this can be resolved.

BRDO are continuing to look for support for RDNA from both local authority services and the professional bodies to both complete the suite of modules and to maintain the whole system. However, there appears to be no appetite for this at LGA and the Institutes have their own qualifications and competency frameworks. On this basis, we will look back at the competency frameworks developed at the partner authorities for EH, TS and Licensing teams and look to link this to the generic knowledge and competency profiles of the host authority.

Our 'in house' technical training days will continue to be held to increase awareness of the different professions knowledge base and to support relevant cross training. This continues to provide a cost effective way of increasing the skills base of our work force and will therefore continue as appropriate. The leadership team continues to meet regularly following its leadership development programme to look at ways of deploying the learning to support day-to-day activities. We will also continue to use the training offered by the regional Trading Standards group (CEntSA,) who look to provide low cost/ high quality training across a range of regulatory areas, including some environmental health and licensing aspects.

13. BUSINESS CONTINUITY

Business continuity plans for the service are in development and we hope to take these through the process of Management Board and Joint Committee for information during 2014/15. The levels of reduction in the County Council's contribution are worrying in relation to the service's ability to respond to notifiable animal disease outbreaks. Nationally, DEFRA has commissioned an updating of the generic Animal Health response plans from the National Trading Standards Board's Programme Office and these revised versions will reflect the reduced staffing levels at local level. Larger reductions than currently envisaged in relation to district functions might also threaten our ability to maintain the full range of interventions across their functions whilst responding to large scale events.

14. LOCAL ENTERPRISE PARTNERSHIPS

The year has seen the service increasingly engaged with the two Local Enterprise Partnerships (Greater Birmingham and Solihull, and Worcestershire,) with the aim of improving our relationships with local businesses, identifying their needs with a view to contributing to the growth of the local economy. The Business Charter for Regulators, launched during 2012 in both LEPs, clearly outlines the relationship that we are seeking to have with the business community in Worcestershire. We are currently engaged in a jointly funded project with the Worcestershire LEP which will seek to improve further the engagement of local businesses with WRS and highlight areas where we can assist them to trade well.

Involvement with the two LEPs has led us to:

- Extend the use of our 0845 business line number from Trading Standards to all business enquiries,
- Created a wider range of printed material for advice for new businesses
- Make amendments to the WRS website so it is more business friendly.

15. OTHER PARTNERSHIPS

The service continues to need to work closely with a range of partners to deliver what is required against a number of agendas. The importance of the seven local authority partners is recognised and we will continue to maintain our existing interfaces with other elements of these organisations e.g. Planning, Worcestershire Hub, Economic Development teams, etc. Customer demand will have a significant impact on the nature of these interfaces as we move the service forward. Close partnership working with a range of professional and community groups is key to further developing the service to deliver the outcomes required. Key partners for engagement include:

- West Mercia Police
- Hereford & Worcester Fire & Rescue Service
- The Environment Agency
- The Health and Safety Executive
- Health Protection Agency (will eventually return to the Department of Health)
- Local Partnership bodies e.g. District Crime and Disorder Reduction Partnerships (often known as Community Safety Partnerships)
- Citizens Advice Consumer Service, local Citizens Advice Bureaux and other 3rd sector organisations
- GP Consortia and Public Health team at the County Council
- Regional Regulatory Partnerships and National Bodies (TSI, ACTSO, NTSB, CIEH).
- West Mercia Police and Crime Commissioner

Existing links to these bodies will be maintained, along with our commitment to other groups operating under the umbrella of the Worcestershire Partnership.

16. CONSULTATION/ ENGAGEMENT

In relation to national consultations on legislative changes, we will address these through the relevant professional channels at both local and regional level. We will continue to engage local members in relation to local policy issues, especially around licensing matters. For general

engagement with the wider community of elected members, we will provide at least 3 Member Newsletters per year so that all are updated on the various activities that the service undertakes across the County. We will try to make this information specific to districts where it is relevant to reassure members that our activities are seeking to protect everyone and support businesses across the whole of Worcestershire. Licensing specific newsletters will also be produced for committee members and these may be more frequent due to the nature of this function.

In terms of customer engagement, we will continue to work with colleagues at both the Worcestershire LEP and the Greater Birmingham and Solihull LEP on engaging with our business customers to improve our ability to address their needs. The approach outlined in our business charter will provide the basis for our interactions with the business community. We will continue to survey those businesses subject to interventions to identify how to improve and to help ensure businesses remain satisfied with our performance.

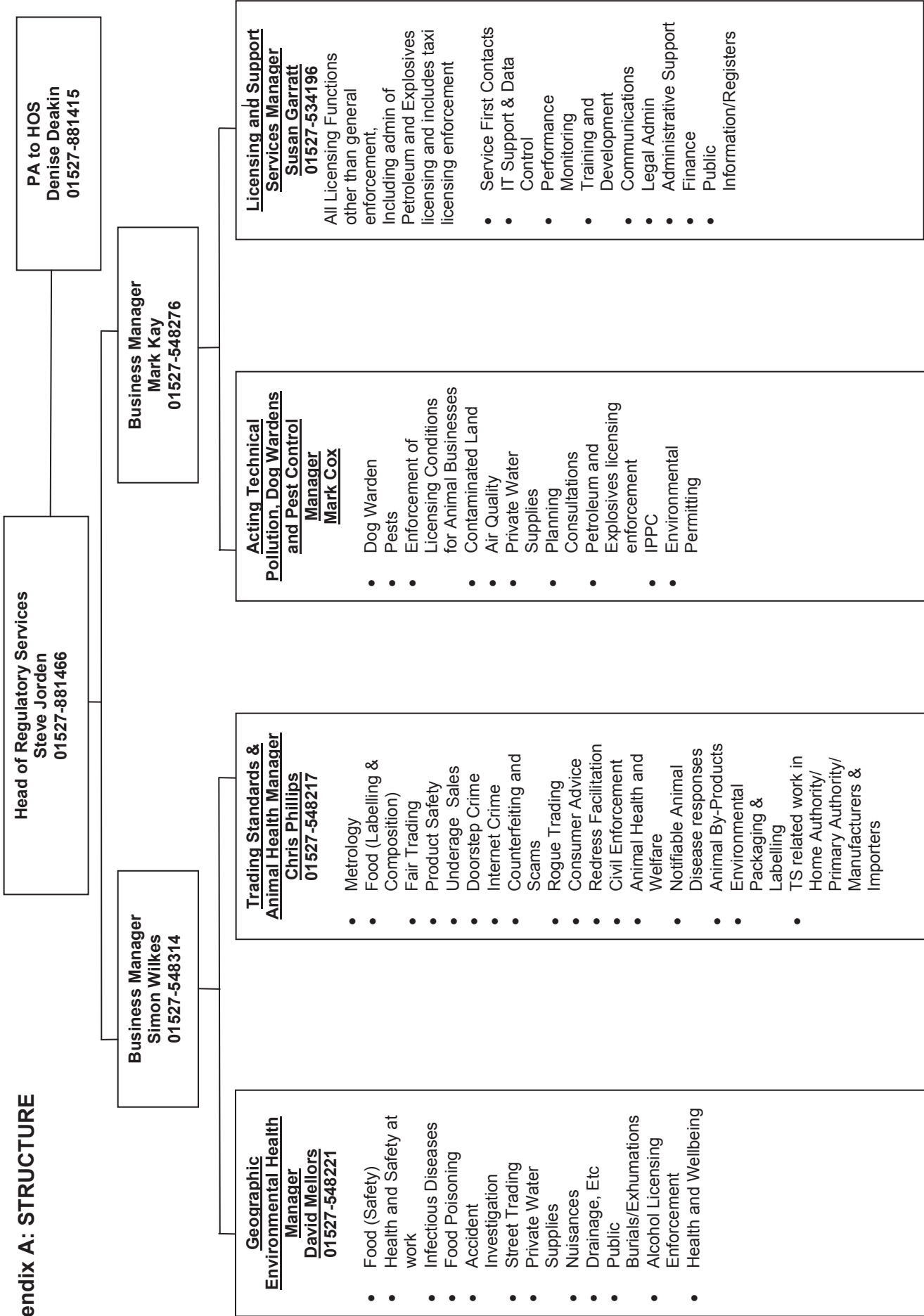
For members of the public, we will continue to survey customers who have used the service to look at how we dealt with their issues, not only from a satisfaction point of view, but also to see if they feel better equipped to deal with future problems. Helping people to help themselves is at the heart of “the Big Society” model of public service engagement and it is essential we move people down this route and reduce the expectation that we will always do it for them. The pilot work done with Worcester City on using self-help with certain forms of nuisance case has shown that this approach can help reduce service delivery costs.

We are currently looking at ways of engaging the wider public in relation to priorities for service delivery in the future. In the past, elements of the service have engaged with focus groups from the Worcestershire Citizens Panel and had questions in the various surveys run via this arrangement. We are looking at how we might use this process once again to get a picture of which aspects of our activities the general public regard as most important.

17. RISKS

The service risk register is completed and has been approved by Management Board. A copy of the current Risk Register is appended at Appendix E. It is included in the service's forward plan so it is reviewed at Board on an annual basis. It already includes an entry relating to the potential impacts of partners reducing their budget contributions, so anticipated our current difficulties. The reductions in budget are likely to increase some risks, particularly in relation to responding to larger scale disease outbreaks and, in relation to other County Council functions, in relation to responding to low and moderate impact issues that the public may perceive as important.

Appendix A: STRUCTURE



APPENDIX B: REGULATORY SERVICES BUDGET 2014/2015 - 2016/2017				
Account description	Budget 2014 / 2015	Budget 2015 / 2016	Budget 2016 / 2017	
Employees	£000's	£000's	£000's	
Monthly salaries	3,275	3,331	3,378	
Training for professional qualifications	2	2	2	
Medical fees (employees')	2	2	2	
Employers' liability insurance	16	16	16	
Employees' professional subscriptions	3	3	3	
Sub-Total - Employees	3,298	3,354	3,401	
Premises				
Internal repair/maintenance.	4	4	4	
Rents	97	97	97	
Utilities	20	20	20	
Business Rates	40	40	40	
Room hire	15	15	15	
Trade Waste	1	1	1	
Cleaning and domestic supplies	9	9	9	
Sub-Total - Premises	186	186	186	
Transport				
Vehicle repairs/maintenance	3	3	3	
Diesel fuel	8	8	8	
Licences	1	1	1	
Contract hire of vehicles	5	5	5	
Vehicle insurances	3	3	3	
Van Lease	9	9	9	
Fares & Car Parking	5	5	5	

Car allowances	123			123		
Sub-Total - Transport	157			157		
Supplies & Service						
Equipment - purchase/maintenance/rental	34			34		
Materials/test purchases/vending	14			14		
Clothing and uniforms	3			3		
Laundry	1			1		
Training fees	24			24		
General insurances	30			30		
Printing and stationery	25			25		
Books and publications	3			3		
Postage/packaging	11			11		
ICT	69			69		
Telephones	39			39		
Taxi Tests	30			30		
CRB Checks (taxi)	25			25		
Legal fees	7			7		
Support service recharges	250			250		
Customer service posts	0			0		
Audit	5			5		
Sub-Total - Supplies & Service	570			570		
Contractors						
Consultants / Contractors' fees/charges/SLA's	261			261		
Advertising (general)	11			11		
Grants and subscriptions	22			22		
Marketing/promotion/publicity	2			2		
Sub-Total - Contractors	296			296		

Savings (Incremental)										
Savings to be identified	0					-56			-103	
Sub-Total - Savings to be identified	0					-56			-103	
Savings for Partner Councils										
Bromsgrove						-50			-50	
Malvern						-27			-27	
Redditch						-50			-50	
Worcester City	-30					-30			-60	
Wychavon						-50			-50	
Wyre Forest	-37					-75			-112	
County	-95					-345			-895	
Sub-Total - Savings for Partner Councils	-162					-627			-1,244	
BUDGET TOTAL	4,346					3,881			3,264	
Budget Breakdown	Budget 2013-14					Savings Identified 14-15			Additional Savings Requested 14-15	
Bromsgrove	602					-110				492
Malvern	534					-119				415
Redditch	604					-22				582
Worcester City	623					-22			-30	571
Wychavon	948					-194				754
Wyre Forest	620					-45			-37	538
Worcestershire County	1,695					-134			-500	1,061
Budget Total	5,626					-646			-567	4,413

Appendix C: Performance Measures Relating to Outcomes (may be further changes following JC direction)

For the majority of indicators, good will be shown by a stable or improving baseline from that year.

	Measure	Reporting Frequency	Background
1	% of service requests where resolution is achieved to customers satisfaction	Quarterly	Based on questionnaires send out to a significant number of members of the public who use the service.
2	% of service requests where resolution is achieved to business satisfaction	Quarterly	Based on questionnaires send out to a significant number of businesses inspected or otherwise contacted by the service.
3	% businesses broadly compliant at first assessment/ inspection	Annually	Based on the proportion of businesses meeting the key purpose from a regulatory perspective i.e. food businesses produce safe food.
4	% of food businesses scoring 0, 1 or 2 at 1 st April each year	Annually	Based on proportion of businesses scoring 1-2 star on a national Food Hygiene Rating Scheme assessment (2 stars and below is deemed to be at risk of not producing safe food.)
5	% of applicants for driver licenses rejected as not fit and proper	6-monthly	Percentage of applications received during the year that end up at Committee and are rejected for not being fit and proper persons.
6	% of vehicles found to be defective whilst in service	6-monthly	Percentage of vehicles stopped during enforcement exercises that are required to be removed from service for remedial work before being allowed to carry on operating.
7	% of service requests where customer indicates they feel better equipped to deal with issues themselves in future	Quarterly	Based on questionnaires send out to a significant number of members of the public and businesses who have used the service.
8	Review of register of complaints and compliments	Quarterly	All are recorded Increasing compliments/ Reduced complaints
9	Staff sickness absence at public sector average or better	Quarterly	Sickness recorded using host processes. Public sector average 8.75 or better
10	% of staff who enjoy working for WRS	Annually	Taken from the staff survey.
11	% of licensed businesses subject to allegations of not upholding the 4 licensing objectives	6-monthly	New indicator, linked to Crime & Disorder agenda, develop baseline in 2014/15 and look for reductions over time.
12	Rate of noise complaint per 1000 head of population	6-monthly	Previous indicator, re-introduced to address gap in performance relating to potential ASB.

Appendix D: Operating Environment PESTEL Analysis

1. Political Background

The political is currently linked strongly to the economic. The coalition's priorities included a range of policing, environmental and consumer protection measures, albeit there is no mention of the roles of Trading Standards, Environmental Health or Licensing dealing with them. This leads to an approach which is sometimes conflicting, where we see Government identifying the need for regulators to act, but then publicising bonfires of regulations and criticising officials for being overbearing and a burden on business. We are beginning to see a slightly more conciliatory approach being taken, particularly by BIS, in relation to their relationship with local regulators. They seem to accept and they are urging their Minister to understand, that local regulation done well is supportive of local businesses and the economy, and with the developments around the National Trading Standards Board, they are beginning to see that local officers can be trusted to deliver on higher level priorities. This is supported by Lord Heseltine in his report, "No stone unturned," where he sees regulation as a key underpinning to a high performance economy. He also recommends further local government re-organisation to eliminate the remaining two tier areas in favour of unitary councils. He harks back to the report in the early 70's which led to the 1974 re-organisation, and seems to suggest that the larger authorities then envisaged at the higher tier would provide an efficient, helpful and supportive platform for economic growth. Whilst this particular aspect has not been accepted by the political centre, they have decided to channel funding into the LEPs from 2015 onwards as a way to focus funding on business growth.

The National Trading Standards Board (NTSB) is now formally established, headed by Lord Toby Harris of Haringey. The Board now covers a wide portfolio of activities that were formally the remit of the Office of Fair Trading and funds services/ projects including:

- The Regional Scambuster Units,
- Regional Trading Standards Intelligence analysts
- Regional Trading Standards Co-ordination
- National Illegal Moneylending Teams in England, Scotland and Wales,
- Safety at Ports Project
- National Intelligence Hub
- National E-crime Unit

These are all based with a lead authority either working on behalf of a region or working nationally and approved by the region. WRS was narrowly beaten in the bidding for the National Estate Agency Enforcement function, losing out to a joint bid from Powys and Anglesey Trading Standards services. This unit commences work on 1st April 2014. The NTSB has been very successful in its first full year of operation and its Programme Office, run by the Association of Chief Trading Standards Officers, has attracted funding from a number of government departments to provide policy support to various national panels which support the work of local Trading Standards teams (Food Standards, Fair Trading, Product Safety, Intellectual Property, Animal Health.) Bodies like the Food Standards Agency have commissioned various pieces of project work via the NTSB and Programme Office and they now see it as a clear channel through which to funnel funding for their activities to be delivered at local level. For example, it seems likely that future funding for FSA national Food Standards and Animal Feed sampling and inspection will be commissioned through NTSB.

We recently saw the launch in Worcestershire of the lesson plan on financial planning and loan sharks by the Illegal Money Lending team. This was attended by the Secretary of State for Education, Michael Gove MP. The MP for Worcester, Robin Walker and the Chair of WRS Joint Committee, Councillor Lucy Hodgson also attended. The IMLT has done work in Worcestershire and one of its early successes was against a loan shark in Redditch. This preventive work stream, piloted in Worcestershire at Gorse Hill Primary School, was wholly funded from money taken from loan sharks using the provisions of the Proceeds of Crime Act, which allows authorities to remove the criminal assets from perpetrators in relation to a range of main stream criminal and trading law offences, including this and counterfeiting. The lessons will help children at primary and secondary level have a better grasp of handling their finances and warns them of the dangers of excessive debt and falling victim to loan sharks.

At a local level again, the political is linked strongly to the economic. All authorities in Worcestershire are under financial pressure to a greater or lesser extent, and forecasts suggest that this will worsen going forward. The County Council in particular, has the problems of coping with increasing demand for adult social care and demonstrating the high standards of care for looked after children following national issues with the abuse of "at risk" children and the small number of high profile deaths. These two huge areas of work mean less funding is available for the myriad other statutory duties that the County Council must undertake. Some of the Districts appear to be in a similar position with their more politically sensitive functions, but on a smaller scale.

Currently we have one Labour controlled partner, two coalitions (one Labour led, one conservative led,) and 5 Conservative controlled partners, however, all parties seem to be working well together in relation to the Joint Committee. There are still concerns from some local back-bench district members that the service is not delivering what they had previously. It is hoped that this will, to some extent, be addressed by the Joint Overview and Scrutiny exercise, which is looking at what WRS has delivered during its short life.

There is no doubt that the dismantling of the statutory reporting mechanisms by government (following the abolition of the reporting framework and the local area agreements,) has meant that there is actually relatively little that WRS is obliged to report back to central government. This has also meant that local members have not had the reams of figures they had previously which, although many were meaningless, provided a basis for both re-assurances about activities and, challenge/ comparison with neighbours. It appears, looking at local priorities that, whilst there is a local flavour to them, the areas identified nationally of building the economy, improving health and well being and protecting communities predominate.

There is an on-going drive following on from the Government's Public Service White Paper "Open Public Services" which categorised services into Individual Services, Neighbourhood Services and Commissioned Services for local authorities to consider alternative delivery mechanisms. Trading Standards is specifically mentioned in the section on Commissioned services, indicating Government's view that it is not one that should be seen as suitable for individualisation, nor for delivery at neighbourhood level. Environmental Health and Licensing functionality would almost certainly fit the same criteria. Of the seven partners the County Council appears to be driving hardest down the commissioning route, with all of its services to be reviewed as to:

- Whether delivery continues,
- If so, on what type of platform,
- What market options are available,
- Is a partnership solution suitable.

The County Council publicly declares that it sees itself as an enabler not necessarily a deliverer of services in the future, as one might expect from a commissioning organisation. The addition of Public Health functions, on the abolition of the Primary Care Trust, may have added impetus to this as the PCT was always a service commissioning organisation. The only current outsourced regulatory services are at North Tyneside Council and the London Borough of Barnet. Both Councils has outsourced a large package of services, of with the regulatory elements were but a small part. Also, both authorities have retained their regulatory staff as employees, using variations on secondment to enable them to be managed through the outsourcing arrangement. This approach limits the legal arguments around whether the statutory functions are being delivered via an acceptable vehicle. At this stage there are no indications of others currently looking at this approach, and we know that a small number of authorities have indicated informally that they do not intend to go down the outsourcing road with regulation. The Welsh authorities and a number of other groups are looking closely at the shared services model. Only time will tell how this develops.

Finally, the drivers of the Localism Act were to free up local authorities to act by giving them a general power of competence, but also to give local communities the opportunity to both challenge what is being done for them and also to be able to run certain local facilities and services. Whilst the latter is unlikely to impact on Regulatory Services given general belief that they are not neighbourhood services, this would still leave us open to challenge if a particular community had concerns about what we were doing in their area.

4.2 Economic Background

Central Government Policy

Much of this is taken from the County Council's Economic Assessment. The Coalition Government has set out plans to rebalance the economy through a private sector enterprise led recovery. The Government's economic policy objective is to achieve strong, sustainable and balanced growth that is more evenly shared across the country and between industries. As part of this, a thorough assessment of policy that is holding back growth of investment and hiring by business is being undertaken, both by looking at cross-economy issues and through considering the challenges faced by particular sectors. It is a rolling programme and it calls on business and industry to challenge government departments on the measures they are taking to allow the private sector to flourish.

The Government has created a Regional Growth fund (RGF) and for Local Enterprise Partnerships (LEPs) to encourage and support enterprise through collaborative working and ongoing engagement with businesses. The RGF is a £1.4bn fund operating across England from 2011 to 2014. It supports projects and programmes that lever private sector investment creating economic growth and sustainable employment. It aims particularly to help those areas and communities currently dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity.

LEPs are locally-owned partnerships between local authorities and businesses and play a central role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs. They are also a key vehicle in delivering Government objectives for economic growth and decentralisation, whilst also providing a means for local authorities to work together with business in order to quicken the economic recovery. Lord Heseltine's Report "No stone unturned" clearly identifies LEPs as being the driving force for local growth going forward and this has been recognised by central government who intend to channel funding through them from 2015 onwards.

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Vulnerability to Public Sector Budget Reductions

In September 2009 the BBC published an analysis by Experian of the authorities most resilient to public sector spending reductions. The research considered a broad range of factors, including: levels of employment in vulnerable industries; business births; qualifications; occupation; earnings; claimant count; house prices; and crime, amongst others. Overall, Wychavon was ranked 89th most resilient authority out of 324 in England, making it the most resilient to spending reductions in Worcestershire. Worcester City (226), Redditch (231) and Wyre Forest (246) were considered to be much more vulnerable. This is something that the partnership ought to be aware of and may suggest that partners demands may begin to vary significantly as time and the cuts in local authority funding move forward.

Businesses: Births, Deaths, Numbers and Sectors

There were 2,175 enterprise births in Worcestershire in 2010, a 7.9% increase compared with 2009. The West Midlands and England both saw falls over the same period (2.4% and 0.7% respectively). Across Worcestershire, Malvern Hills showed the greatest increase of 19.3%. Wyre Forest was the only district to see a fall (8.8%). It could be suggested that the increase in the number of enterprise births, evident in the latest data, might be attributed to a greater enthusiasm to start a new business. It is important to highlight that there are a number of micro-businesses in Worcestershire that are not yet at the level where they can register for VAT and are therefore not accounted for in these figures. However there is a need to support these businesses, ensuring that they develop and grow, thereby laying the foundation for future job creation. The number of enterprises closing has risen in the county with an increase of 5% when compared to 2009. Although the proportion of enterprise closures has continued to increase in 2010, it is of a significantly lower magnitude than in 2009 when there was an increase of 37%. The most notable increase in 2010 was in Bromsgrove where there was a rise of around 11%. The number of enterprise deaths in the county increased by a similar proportion to the West Midlands and England.

Table BD3.2: Count of active businesses 2009-11

Area	2009	2010	2011	% change 2009-11
Bromsgrove	4,685	4,595	4,505	-3.8
Malvern Hills	4,310	4,285	4,275	-0.8
Redditch	3,200	3,080	2,955	-7.7
Worcester	3,725	3,625	3,510	-5.8
Wychavon	6,630	6,485	6,430	-3.0
Wyre Forest	4,005	3,855	3,750	-6.4
Worcestershire	26,555	25,925	25,425	-4.3
West Midlands	216,215	210,065	206,915	-4.3
England	2,237,555	2,183,845	2,161,190	-3.4

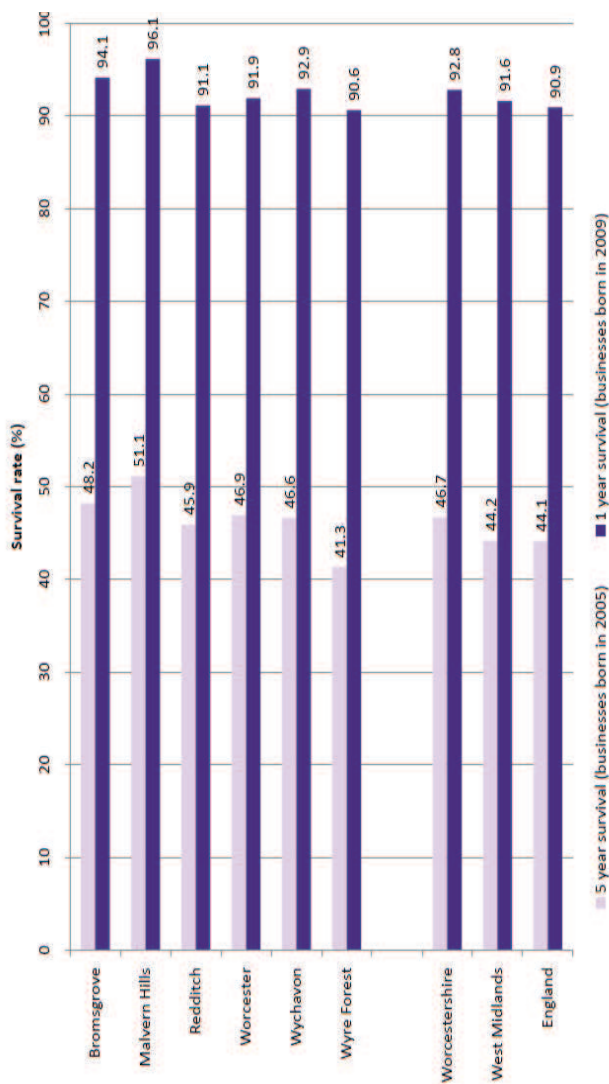
Source: Office for National Statistics, 2011, UK Business: Activity, Size and Location, 201

In 2011, there were 25,425 local units in VAT and/or PAYE based enterprises in Worcestershire. The greatest proportion were in the Professional, scientific and technical sector (13%), with a further 11% involved in Construction and 10% involved in Retail. The pattern is similar across Worcestershire's districts, although a few notable differences exist. For example, in Malvern and Wychavon Agriculture, forestry and fishing businesses make up a greater proportion of the total number than elsewhere (15% and 11% respectively), while 14% of local units in Redditch are associated with Production. In Worcester City, 16% of local units are in the Retail sector, while in Bromsgrove 15% of businesses are in the Professional, scientific and technical sector, with a further 14% linked to Construction.

The total number of local units in VAT/PAYE based enterprises in Worcestershire in 2011 represents a decrease of 500 (1.9%) on the equivalent number in 2010, which was itself a decrease of 630 (2.4%) businesses on the 2009 figure. The most notable change between 2009 and 2011 is for local units in the Construction industry. While in 2009 construction made up 11.7% of all businesses, by 2011 this had fallen by 0.8 percentage points to 10.9%. This equates to a loss of 325 construction businesses. The fall was seen across all of the districts, but was particularly marked in Wyre Forest, where 75 construction businesses were lost. Of these, 55 ceased trading in 2009-10 illustrating the impact of the recession on this particular industry. With house building falling dramatically and fewer companies investing in property, this sector was one of the first to be affected by the economic downturn, however in the last year this decline has slowed. The sector to see the largest increase in the number of businesses during this period was the Health industry, where the number of local units increased by 45.

Survival Rates

Almost 93% of the businesses born in 2009 survived their first year, higher than in the West Midlands and England. Across Worcestershire the highest one year survival rate was in Malvern Hills (96.1%) and the lowest was in Wyre Forest. The five year survival rate in the county was 46.7%, higher again than both the West Midlands and England. Across Worcestershire, Malvern Hills has the highest five year survival rate (51.1%), whereas Wyre Forest has the lowest, lower than the West Midlands and England, with 41.3%.



Of the business in Worcestershire 97% are classed as Small and Medium-sized Enterprises, comprising less than 50 employees, which compares with both the West Midlands and nationally. Within Worcestershire around 50% of the total workforce are employed within these small and medium-sized enterprises, highlighting the importance of providing adequate support to these businesses so that their competitiveness and viability can be enhanced to encourage the private sector led recovery. It should be noted however, that businesses with more than 200 employees account for just 0.5% of companies in the county, but directly employ almost one-quarter of the workforce. It is essential, therefore, that action is taken to engage with and support these businesses, encouraging them to remain in Worcestershire, due to the contribution they make in terms of jobs, and because of the benefits to the local supply chains.

Business Start-ups

It is important for local economies to promote new business start ups, not only for the variety of goods and services they provide to the local area but also for the future employment opportunities they can offer. This will be essential to achieve the government's ambition of a private sector led recovery, and there will be a role for local authorities, business representatives and partners to ensure that entrepreneurs have adequate support.

The new business registration rate measures the proportion of new businesses registering for VAT and PAYE for the first time, per 10,000 resident population aged 16 plus. Worcestershire currently has lower rates of entrepreneurship than England as a whole. However the rate varies greatly across the county with Wychavon (56.0) demonstrating the highest rate of new business start ups, and Wyre Forest the lowest with 38.1. The 2010 data show improvement in comparison to 2009, as had been expected following the country exiting recession. The Worcestershire rate has remained steady, as has the West Midlands and England. Across Worcestershire however, the rates are more varied with Wychavon,

Malvern Hills and Bromsgrove all seeing increases in the number of new businesses per 10,000 population (16+) and Wyre Forest observing the only fall.

The recession had created a number of difficulties for new enterprises, such as obtaining credit. It also resulted in increased unemployment amongst managers, directors and senior officials, however following the recession numbers employed in these occupations have risen again. People employed within these occupations are more likely to have the skills, capital and motivation to consider self-employment now and in the future.

The drivers for reduced cost need to be balanced with the need to protect and support the most vulnerable in our society, ensure that the general health and wellbeing of the community is protected and also ensure, wherever we can, that the economic vitality and growth is maintained. To meet these aims we must ensure our services are targeted, proportional and effective.

The wider impact of poor economic growth may also be seen through the increased cutting of corners by businesses as they seek to survive in this current tough environment, for example keeping food for longer than is safe or extending use by dates, and a growth in the informal economy as people seek to make their money go further by buying cheaper products, including counterfeit and contraband items. Thus, we may see a double impact of increasing demand and need for our services at a time when the resources for delivery are falling drastically as recently highlighted by the horse meat scandal. This will be occurring at a time when our budgets and those of partners will come under increasing pressure and significant reductions in budget may become necessary. This will certainly lead to changes in the focus of resources and significant changes in the scope of service delivery.

4.3 Social Background

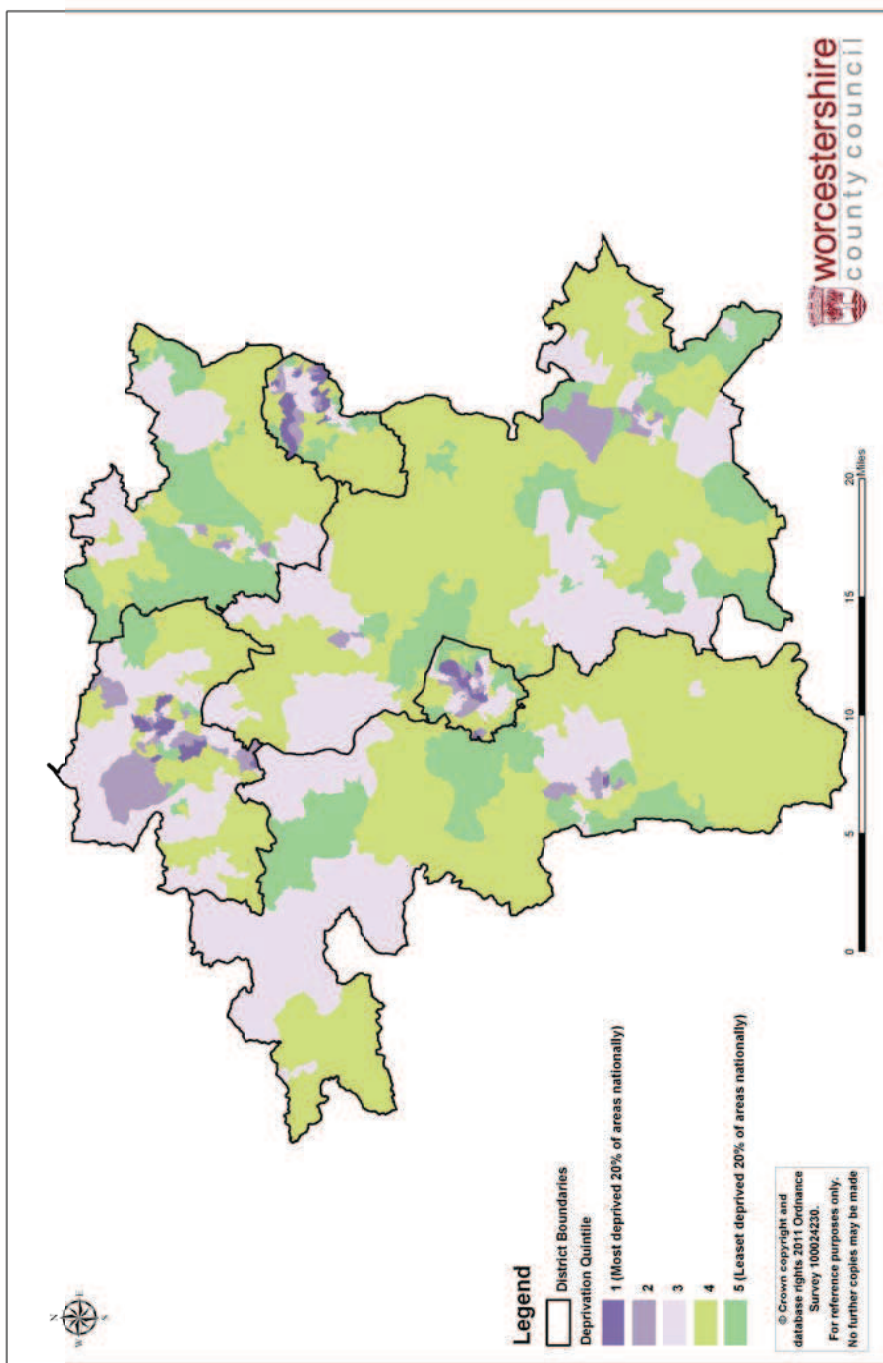
Income

Median household incomes in Worcestershire are higher than they are elsewhere in the West Midlands and England. Household incomes are highest in Bromsgrove (£32,917 pa) and lowest in Wyre Forest (£26,308 pa). Household income includes income from employment (earnings) as well as that from other sources, for example investments and savings. Earnings measure the salary of an individual, or the amount of money received for carrying out work activities.

Earnings for people who live in Worcestershire are 9.6% higher than those for people who work in Worcestershire. This difference is explained by the net out-commuting from Worcestershire to other places, particularly amongst those employed in higher paid occupations. In Worcestershire the median full-time earnings of residents decreased by 0.1% between 2011 and 2012, following the previous increase. The median earnings of those employed within Worcestershire increased by 01.2% over the same period. As with household income, full-time earnings amongst residents are highest in Bromsgrove (£29,552 pa), however, for those who work in Bromsgrove, median earnings are the second lowest in the county (£22,697 pa). These figures demonstrate the considerable impact that commuting has. Bromsgrove experiences the greatest level of commuting outside of the county, with Birmingham the destination for most people. Evidence therefore suggests that these commuters have considerably higher salaries than are widely available to those who work in Bromsgrove.

Deprivation

Deprivation is a key factor affecting people's life chances and the opportunities open to them. It influences their levels of education, ability to access employment, health and wellbeing, and the extent to which they are able to engage with wider society. From an economic perspective, deprivation is frequently associated with income, employment and education. During 2010, the six districts of the county, in partnership with Worcestershire County Council and other bodies, have identified a number of Areas of Highest Need, where activities designed to combat deprivation and the disadvantaged associated with it can be targeted



Index of Multiple Deprivation, 2010

Produced on behalf of the R&I Unit, December 2011

VN

As part of Communities and Local Government's English Indices of Deprivation 2010, there is an Income Deprivation Domain, which captures the proportion of the population experiencing deprivation in an area related to low income. It shows that in 2010, Wyre Forest was the most income deprived Worcestershire local authority ranked 168 out of 354 (where 1 is the most deprived). This is followed by Worcester (189), Redditch (205), Wychavon (209), Malvern Hills (277) and Bromsgrove (286).

There are a total of eleven Worcestershire Lower Super Output Areas (LSOAs) in the 10% most income deprived areas nationally. The Indices of Deprivation, 2010 uses several deprivation indicator measures to rank each Lower Super Output Area (LSOA) relative to other LSOAs for seven domains (Income, Employment, Education, Health, Barriers to Housing and Services, Crime, and Living Environment). The scores for each domain are then assigned different weights and combined to create an overall Index of Multiple Deprivation. The overall index highlights pockets of deprivation in Worcestershire, particularly in the Redditch, Worcester and Kidderminster. A small part of Malvern also features.

Population

In mid-2010, the population of Worcestershire was an estimated 557,400 and remains the current most accurate official figure available. The county has a lower proportion of young children (0-4) and young adults (18-34) and a higher proportion of people aged 45-plus than are seen regionally and nationally. Around 50.7% of the Worcestershire population is female,

a similar proportion as the national average. Worcestershire follows the national pattern of having a population "spike" at around the 60-64 age group. This is a product of the large increase in births just after World War II, known as the "baby boomers". Many of these people will reach retirement age, and therefore be lost to the work-force, in the next 5 years or so. In terms of five-year age bands, the highest percentages in the county are in the 40-44, 45-49 and 60-64 groups. In older age groups, most notably those aged 75-plus, the female population is significantly higher than the males, due to higher life expectancy and lower death rates in females in comparison to males.

Population changes show most clearly with the outflow of 18-24 year olds and the inflow of older adults. Migration out is accounted for by the significant increase in young people moving away for higher education, in greater numbers than previously, which shows up most clearly in Malvern Hills, Wychavon and Bromsgrove. People coming into the County tend to be older adults seeking a better quality of life and this is again focused in the more rural districts.

ONS mid-2008 trend-based population projections suggest that by 2031 Worcestershire is projected to have a population of almost 607,000, representing an increase of around 49,500 on the 2010 figure, or just over 9%. This is a lower proportional increase than projected in the West Midlands region as a whole (11.2%), and a notably smaller projected increase than the national average of almost 15%.

There are around 48,800 (8.8% of population) BME (Black and Minority Ethnic) persons living in Worcestershire. This varies locally from just over 11% in Worcester City, around 10% in both Redditch and Bromsgrove, dropping to around 7% in each of Malvern Hills, Wychavon, and Wyre Forest. This is significantly lower than national and regional averages (17.2% and 17.6% respectively), but is growing as it was just 4.5% in 2001.

The number of persons defined as White Other (i.e. White but originating from outside Great Britain and Ireland) has also risen, from 6,900 in 2001 to 11,200 (2.0%) in 2009, and is highest in Worcester City, at 3.6%. The "White Other" group will include Eastern Europeans, who have a legal right to work anywhere in the EU since A8 accession in May 2004. With the exception of the White Other group, the largest ethnic minorities in Worcestershire are among the Indian and Pakistani populations, each at around 1.1% at a district level the highest Pakistani population is in Redditch, at 2.4%, and the highest Indian population is in Bromsgrove at 1.8%.

In terms of total net migration, Worcestershire receives an average net inflow of around 650 persons per annum. At a district level the largest net inflow is into Bromsgrove (570 per annum) with Malvern Hills (488 per annum) and Wychavon (230 per annum) also experiencing significant inflows between 2005 and 10. In contrast the more urban districts of Redditch (-394 per annum) and Worcester City (-296 per annum) experience outflows. Wyre Forest experiences an approximate zero net change (+52 on average.) It is however notable that the total migration levels into the county have decreased in recent years, from over 1,500 in 2006-07, and over 2,000 in 2002-03. The biggest group migrating out are the 15-19 year olds, who move away into higher education and work. Inward migration is more even, but with some evidence of peaking in the child bearing age groups (30-39, with children especially 0-4 and 10-14,) but also at the retirement end, (60-64 and 75 plus.)

Public Health and the Health & Well-being Agenda

Due to changes brought about by the Health and Social Care Act 2012, responsibility for public health in Worcestershire moves to The County Council and Clinical Commissioning Groups on 1st April 2013. This correspondingly sees the demise of the local Primary Care Trust. The new statutory responsibilities placed on the County Council will be discharged via the newly established Worcestershire Health and Well-being Board; the forum where local leaders will come together to improve the health and wellbeing of our population.

Through widespread consultation, the Board have developed and published Worcestershire's Joint Health and Well-being Strategy (the Strategy) which is a statement of the Board's vision, priorities and goals for 2012-15, based on the findings of the Joint Strategic Needs Assessment. The Strategy provides a basis for the public to hold local organisations to account for achieving the stated outcomes. The Strategy recognises the need for joined up action to tackle issues that will benefit from multi-agency working and the Board will work with all partners, including Worcestershire Regulatory Services, to help align policies, services, resources and activities with the Strategy.

The Board's vision is that Worcestershire residents are healthier, live longer and have a better quality of life, especially those communities and groups whose health is currently poorest. Its priorities are:

- Older people and management of long term conditions
- Mental health
- Obesity
- Alcohol

A key threat to our health and well-being is the growing burden of lifestyle related ill-health, particularly obesity and excess alcohol consumption, which is placing growing pressure on health and social care services. Two thirds of adults in Worcestershire and one third of children at eleven years old are overweight. One in five adults drink alcohol at a level which poses a risk to their health and nearly half of 11-15 year olds have drunk alcohol. Smoking is on the decline but a fifth of adults continue to smoke.

To meet this challenge, WRS will contribute to initiatives around prevention, early intervention and early help to preserve people's health and independence and avoid the need for expensive medical treatments and specialist services.

4.4 Technological Background

Technological Economy: The County Economic Assessment for 2008 stated the following vision for the future of Worcestershire:

"In ten years time, technology-led growth will have contributed to the sustainable development of Worcestershire and strengthened its role as an economic driver for the region - acting as a catalyst for all sectors of the economy and areas of the County to benefit and providing well paid and highly skilled jobs and high quality of life for residents"

It reasoned that economic prosperity in Worcestershire would support improvements in the Quality of Life and well being of all residents of Worcestershire. However, economic growth and prosperity will need to be pursued with due attention to the natural and built environment, which is an attractor for residents and visitors.

The Central Technology Belt (CTB) made up of a number of educational establishments (Aston, Birmingham and Central England Universities, University College Worcester,) and QinetiQ in Malvern was the basis for this concept. The aim was to exploit the expertise of these organisations to develop Knowledge based industries along the A38 corridor, which formed one cornerstone of Worcestershire's Economic Strategy. Other elements included supporting sustainable infrastructure development, removing barriers to employment and increasing access to skills. Whilst this remains a central part of the strategy, other areas that are ripe for potential development have been identified more recently in both Redditch and Kidderminster that could provide locations for growth opportunities.

Research and Intelligence have also created the concept of strategic businesses, i.e. those that are important to the local economy. Across Worcestershire, businesses with more than 50 people, which represent just 3% of all businesses in the county, employ 49% of the workforce. Indeed, businesses with more than 200 employees, which account for 0.5% of businesses, employ almost one-quarter of the Worcestershire workforce. Approximately 100 businesses have been identified as 'strategic' based on their significance in the county, their sector, turnover and number of employees. These businesses are located predominantly in Worcester, Redditch, Kidderminster and Malvern, and along key transport corridors such as the A449, A442 and the A38. Although the businesses identified are within a variety of industrial sectors, the majority are involved in manufacturing and many in technology.

It is essential that there is regular engagement with the strategic businesses and that effective working relationships are established with key employers, to ensure that they stay within the county and are supported to grow. There is an opportunity for businesses such as these to act as an anchor, so that others in similar industries choose to locate in Worcestershire. For example, the Worcester Bosch application and the associated technology park development provides an opportunity to raise the county's profile, potentially giving Worcestershire an international reputation as one of the 'places to invest in environmental technologies.

Technology and the Market: Technological change brings with it new goods and services, and ways of trading. The internet has become the new market place with goods potentially moving long distances without the intervention of wholesale and retail elements in the supply chain. Electronic trading also massively increases the potential for fraud, as buyer and seller seldom meet in the virtual saleroom. The decline in the package holiday market and the increased use of the internet to book hotel rooms and other accommodation directly is just one example of this. Other areas for high levels of sales are books, CDs/DVDs and tickets for events. The internet has also given organised crime a further outlet for counterfeit goods, and made detection of large quantities more difficult as bulk can be broken and sold under different names more easily.

Work in recent years has only scratched the surface, but already we are identifying larger than expected numbers of car dealers, sellers of counterfeit goods and businesses that are importing products directly, all using the internet as their sole trading place. Recently we have received complaints about Chinese websites pretending to be the sites for bonafide branded goods and selling direct to the public. The potential for fraud using this approach is massive. The work on this area will need to continue for the foreseeable future if electronic trading is to become as safe as buying in a shop.

Technology and customer interactions: More and more customer interaction is moving to the internet and with the new upcoming “digital” generation, there is an expectation that services will seek to diversify in terms of what they offer and how they offer it, enabling services to be consumed. WRS has already entered the social networking arena with its face book page and twitter feed. Its website will provide a source of information and advice to customers as well as a handy signposting tool and an access channel to the service. WRS will focus, going forward, on shifting demand where practicable to the more cost effective digital channels, however, must continue to monitor developments to ensure it maintains access channels but must not forget the range of households that do not use digital access methods.

4.5 Environmental Background 24/7 Operations and Rapid Transit:

The development of the 24-hour economy means that regulatory work is no longer a 9 to 5 occupation. Field officers need to visit businesses during their normal operating hours to assess compliance, and many illegitimate business activities e.g. supply of counterfeit goods, take place at the weekend. This latter issue is particularly important as organised crime looks for better ways of laundering the money it obtains from hard-core criminal activity such as drug dealing and robbery. The transport network in Worcestershire is good. The M5 runs through the county from top to bottom, and one of the main routes from the Welsh ports enters the south of the county. There are also fast-A-roads running east across the county to Warwickshire. This gives criminals the potential to strike and move from the area quickly.

Green Business

Trends suggest an increased public interest in both environmentally and ethically sound production. The drive to reduce “food miles” is leading to increasing interest in locally produced food, and farmers markets seem to be thriving. Supporting these SME businesses is likely, in the long run, to lead to environmental improvements. Similarly the demands from consumers to reduce packaging and the pressure on local authorities to reduce volumes of waste going to landfill will increase. Work with local producers, and encouraging the public to use local outlets that sell lose produce may also have a positive impact on this. The service has been very supportive of local producers and this will need to continue.

Global Warming

Increasing global temperatures are impacting everywhere. Flooding is an on-going issue for the County. The floods of summer 2007 had a major impact on residents living on the edges of the Severn, Avon and their various tributaries. The damage caused by the flood to buildings and land can be an attractor for criminal activity as well as having wider environmental implications. Potential tactical responses to such incidents need to be tasked as part of the overall local authority response to the incident.

The way the service is operated, with the use of vehicles to do visits is threatened by the need to reduce the partner Authorities carbon footprints, as well as reducing costs. Managers will be asked to keep a downward pressure on mileages, so alternative interventions may need to be used where appropriate such as promotions and the use of the media.

Noise and Other Nuisances

The pattern of nuisance complaints is focused in the main on population centres and, as would be expected, noise remains the primary issue with in excess of 50% of complaints relating to it. Noise and nuisance are recognised as issues by DEFRA but do not appear to have particular primacy currently. Having said that, the DOH, via the HPA is taking an interest in noise in particular as a health issue and it will be interesting to see where this goes. We know that excessive noise can cause stress and other disorders that can have an impact on life expectancy and lifestyle.

I.P.C. / Air Quality/ Contaminated Land

DEFRA are looking to reduce burdens on business so this area is likely to undergo some changes in the immediate future. Our own work locally suggests that only a handful of the permitted premises in the County cause any difficulties and need to be subject to any kind of interventions. It is unlikely that DEFRA will agree to reductions at this level but, with deregulation at the forefront of thinking, they may find it hard to resist.

Air quality does feature as a priority for DEFRA, however, whilst the service can monitor and make recommendations to partners, most of the issues in this County in relation to air quality are traffic related. Clearly we can raise these issues but the County Council's team who work on Transport and Traffic Management probably have greater influence than us on this agenda. The removal of controls over planning may, although we have yet to see it, cause an increase in demand for development land, which may increase work around contaminated land. However this is likely to be a push for green field development so this may not materialise.

4.6 Legal Background

The introduction of the elected Police & Crime Commissioner (PCC) for West Mercia has had no identifiable impact on Regulatory Services in Worcestershire but it has been agreed that The Regulatory services in Worcestershire will endeavor to engage with the Police and crime commissioner in order to ensure there was a stronger link/profile for the service

The changes to the Consumer Credit regime are on-going with a transitional period between 1st April 2014 and 1st April 2016. The Financial Conduct Authority has launched an advertising campaign to make businesses aware of the relevant changes and they are working with the Association of Chief Trading Standards Officers on an MOU for working with local authorities and other elements of the trading standards family of services like the NTSB funded Illegal Moneylending Team, based at Birmingham City Council Trading Standards Service. Simon Wilkes from WRS is leading on this for ACTSO.

BIS continues work on consolidating powers for all activities falling within its remit (Weights and Measures, Product Safety, Fair Trading,) and we are likely to see a single set of powers for all of this legislation published during the new 12 months. The major change will relate to the change to powers of entry to inspect. It is highly likely that there will be no proactive power of entry without permission to inspect. Entry without permission is likely to be based on there being a reason to suspect offences have been committed. This will be at odds with certain EU legislation, particularly around food, where the presumption is inspection is without notice. Hence, officers undertaking a comprehensive inspection could enter without an appointment for food, but not for the majority of other trading standards legislation. The BIS Select Committee has noted this issue and has expressed concerns at the ending of this power for the broad spectrum of functions, however, they have not recommended back tracking. Instead they have recommended a lessening of the burden required before an unannounced visit can take place to reason to believe an offence may have been committed.

The above review of powers is being driven by the Home Office under its "protection of freedoms" remit and all Government Departments are being forced to review all of their powers legislation to see if they are fit for purpose. The removal of pre-emptive inspection provisions is likely to become common in all domestic legislation but where and EU provision such as the food directives requires pre-emptive entry, then this is unlikely to be challenged. We have seen this during last year as both FSA and DEFRA have consulted on powers in their legislation, most of which is based on EU Directives and there has been no suggestion of removing proactive inspection from these.

The Better Regulation Delivery Office consulted during 2013 on a review of the Regulator's Compliance Code. The new version, called simply the Regulator's Code, will come into force on 1st April. Made under the Regulatory Enforcement and Sanctions Act 2008, the Code is designed to tackle a perceived issue in relation to over-zealous "tick-box" approaches to

Regulation. In our view this is a mythology, however, we have little choice but to take this on Board. All local authority enforcement policies that relate to the regulatory enforcement work of Trading Standards, Environmental Health and Licensing must comply with the Code, and we are required to be supportive of businesses in general, only using formal powers where either this approach has failed or there are serious risks to the health, safety or well-being of people, or a risk of significant economic detriment. The revised code seeks to support best practice in local authority enforcement by requiring services to outline what they do to the public, ensure they have widely distributed contact details and to publish service standards. Reports on activity, a feature of the previous code, remain a requirement of the revised version.

The BRDO also published a new code of practice on the use of test purchasing by minors in relation to age restricted products. This code has been greeted with some dismay by many as it endorses the view of the Office of the Surveillance Commissioner, that the use of minors in test purchasing activity constitutes directed surveillance and therefore must be authorised following the processes within the Regulation of Investigatory Powers Act 2000 (RIPA.) This limits the application of the tactic to situations where other overt tactics have been exhausted, increasing the burden on local authority services before they can launch a project to gather evidence formally. The new code claims to make regulators focus on being transparent, targeted and proportionate. WRS already operates in this way so this is unlikely to impact on our approach.

In 2014/15, the Licensing Act 2003 policies of all of the 6 district partners will be up for review. To ensure that this is done in a timely fashion, officers have begun the engagement process with local elected members as a number of changes to the provisions of the Act will have to be included within the new policy documents.

With de-regulation and reducing burdens in mind, the Health and Safety Executive (HSE) has amended its guidance to local authorities to ensure that only those highest risk businesses are subject to any kind of routine intervention, with others being dealt with by other strategies. This approach has been adopted for the majority of Trading Standards related functions for a number of years and is likely to be continued in other areas of work like Food Safety. Health and Safety will remain focused on project work and responding to serious accidents and near misses for the foreseeable future.

Conclusion

There is nothing in the data that would suggest we need to look beyond the priorities offered by BRDO to provide a golden thread to link the activities of the service through to local authority and national government priorities.

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Risk Scorecard

Category	IMPACT		
	LOW	MEDIUM	HIGH
Financial	< £150k Minor non-compliance with internal financial procedures	£150k - £300k Significant non-compliance with internal financial procedures	> £300k Major non-compliance with internal financial procedures
Political	Minor issues identified by assurance reviews Minor adverse Local media	Significant issues identified by assurance reviews Significant adverse Local media	Major issues identified by assurance reviews Major adverse Local, Regional or National media
Social	Minor BVPI issues Service delay Stakeholders consulted and concerns considered	Significant BVPI issues Service suspended Limited stakeholder consultation	Major BVPI issues Service cancelled Stakeholders not consulted and concerns not considered
Technical	Minor system problems Minor impact on resources (staff, equipment, buildings, etc.)	Significant system problems Significant impact on resources (staff, equipment, buildings, etc.)	Major system problems Major impact on resources (staff, equipment, buildings, etc.)
Legal	Minor non-compliance with legislation or statutory requirements Minor penalty or warning	Significant non-compliance with legislation or statutory requirements Significant penalty or warning	Major non-compliance with legislation or statutory requirements Major penalty or warning
Environmental	Minor District health or cleanliness issues Minor schemes not consistent with stakeholder expectations	Significant District health or cleanliness issues Significant schemes not consistent with stakeholder expectations	Major District health or cleanliness issues Major schemes not consistent with stakeholder expectations
Performance (WETT, Shared Service)	Minor dip in productivity/performance as a result of shared service implementation	Significant dip in productivity/performance as a result of shared service implementation	Major dip in productivity/performance as a result of shared service implementation
Climate Change (Severe Weather Events)	Minor service delay e.g. waste collection cancelled as a result of snow; prolonged heat leading to melting roads; increased risk of fires.	Significant disruption to services e.g. potential risk to health; lack of power.	Major service delivery issues e.g. leading to loss of life; major damage to property, disruption to local economy.

Risk Matrix

Likelihood	Impact		
	LOW	MEDIUM	HIGH
HIGH	3	6	9
MEDIUM	2	4	6
LOW	1	2	3

Action Ratings

High	Actions that are fundamental to improve the control environment and progress towards an acceptable risk score.
Medium	Actions that are important to improve the control environment and progress towards an acceptable risk score.
Low	Actions that are desirable to improve the control environment and progress towards an acceptable risk score.

Category	LIKELIHOOD	
	LOW	MEDIUM
Occurrence	> 18 months	6 - 18 months
Probability	< 30%	30% - 70%
		< 6 months > 70%

Current Key Controls			Current			Current Key Controls			Current Key Controls								
Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements						
10.1	Medium	Maintain ongoing liaison with host authority	14.1	High	Clear timetable for application of systems thinking in all areas	15.1			1.1	High	Design specification correctly and on time	4.1	Medium	Design specifications contracts correctly and on time	6.1	Medium	Maintain emergency plans for foreseeable incidents
10.2	Medium	Ensure Management Board informed of significant failings	14.2	High	Implement changes in timetable	15.2			1.2	High	Follow procurement process in timely fashion	4.2	Medium	Follow procurement process in timely fashion	6.2		
10.3	High	Host authority to deal with issues in a timely fashion	14.3	Medium	Effective communication with staff around change procedures	15.3			1.3	High	Ensure sufficient in-house support for system maintenance and	4.3	Medium	Restructure dog warden service	6.3		
10.4			14.4	Medium	Regular reports to Management Board	15.4			1.4			4.4			6.4		
10.5			14.5	Low	Ensure all managers and senior practitioners have had change management training	15.5			1.5			4.5			6.5		
10.6			14.6			15.6			1.6			4.6			6.6		
10.7			14.7			15.7			1.7			4.7			6.7		
10.8			14.8			15.8			1.8			4.8			6.8		
10.9			14.9			15.9			1.9			4.9			6.9		
10.10			14.10			15.10			1.10			4.10			6.10		
10.11			14.11			15.11			1.11			4.11			6.11		
10.12			14.12			15.12			1.12			4.12			6.12		
10.13			14.13			15.13			1.13			4.13			6.13		
10.14			14.14			15.14			1.14			4.14			6.14		
10.15			14.15			15.15			1.15			4.15			6.15		

Key Objective: Ref. No. 9	Key Objective: Ref. No. 3	Key Objective: Ref. No. 5	Key Objective: Ref. No. 7	Key Objective: Ref. No. 8
Achieve stable levels of contribution from partner authorities,	Maintain our capacity to achieve service delivery	Robust arrangements in place in relation to obtaining legal advice and monitoring legislative changes	Effective and efficient budgetary control	Service provision complies with Government requirements
Responsibility: MB	Responsibility: SJ	Responsibility: SJ	Responsibility: SJ	Responsibility: SJ
Associated Key Risk(s)	Associated Key Risk(s)	Associated Key Risk(s)	Associated Key Risk(s)	Associated Key Risk(s)
Level of support from constituent authorities for Regulatory Services will vary due to variations in income	Major staff sickness (e.g. flu pandemic)	Loss of Major Court Case	Failure to maintain effective budgetary control	Criticism or intervention by Government if they are unhappy with service provision
Residual Costs	Unable to recruit or retain suitably qualified staff	Need to ensure the legal vires of the service doing what is required by constituent authorities, to		
		There may be large on-going cases that could have significant impact on the finances of the new service if they are not won.		
Impact(s)	Impact(s)	Impact(s)	Impact(s)	Impact(s)
Disruption to service	Disruption to service	Negative media coverage	Financial loss	Reputational damage
Changes to partner contributions impact on service provision by WRS for all partners	Disruption to service provision	Loss of confidence in the service	Inability to pay staff/contractors	
	Unable to meet service demands	Financial loss	Reputational damage	
	Unable to fulfill statutory obligations			
High Impact Areas	High Impact Areas	High Impact Areas	High Impact Areas	High Impact Areas
Financial: H Political: H Social: H Technical: L Legal: M Environmental: L Climate Change: M	Financial: M Political: M Social: M Technical: L Legal: L Environmental: M Climate Change: L	Financial: H Political: H Social: L Technical: L Legal: M Environmental: L Climate Change: L	Financial: H Political: H Social: M Technical: L Legal: M Environmental: L Climate Change: L	Financial: L Political: M Social: L Technical: L Legal: L Environmental: L Climate Change: L
Current	Current	Current	Current	Current
Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (6)	Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (2)	Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (2)	Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (2)	Impact: Low Likelihood: Low Risk: Low Risk Colour (Score): GREEN (1)
Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
Impact: Low Likelihood: Low Risk: Low Risk Colour (Score): GREEN (2)	Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (2)	Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (2)	Impact: Medium Likelihood: Low Risk: High Risk Colour (Score): GREEN (2)	Impact: Low Likelihood: Low Risk: Low Risk Colour (Score): GREEN (2)

Current Key Controls	Current	Current Key Controls	Current Key Controls	Current Key Controls	Current Key Controls	Current Key Controls							
	Staff are equipped for mobile/home working	Service priorities to be managed and partners informed of any changes to service	Use of competent staff to undertake investigations	Devolution of cost centres to managers	Keep key government stakeholders apprised of WRS plans and business transformation and address any concerns at an early stage								
	Touchdown stations available in partner council locations	Short term contract workers can be brought in to cover any priority areas	Proper scheme of delegation to ensure authority to take legal decision is clear	Monthly reporting within WRS									
		Consultants can provide short term cover	Clear enforcement of policy in place	Quarterly reporting to management board and Joint Committee									
		Active within regional and sub regional groups to share resources if required	Ensure compliance with legal procedures	Compliance with Bromsgrove's financial procedures									
		Effective training and development processes in place to ensure recruitment and retention of staff	Effective liaison with partner councils legal services departments										
Action Ref.	Rating	Action / Improvements	Rating	Action / Improvements	Rating	Action / Improvements							
9.1	High	Partners conform with legal agreement on budgetary cost	2.1	Low	3.1	Low	5.1	Medium	7.1	Medium	8.1	Low	Ongoing liaison with Government stakeholders
9.2			2.2	Low	3.2	Medium	5.2	Active participation regional, sub regional groups by team members	7.2	Low	8.2	Regular report to Management Board	
9.3			2.3		3.3		5.3		7.3		8.3		
9.4			2.4		3.4		5.4		7.4		8.4		
9.5			2.5		3.5		5.5		7.5		8.5		
9.6			2.6		3.6		5.6		7.6		8.6		
9.7			2.7		3.7		5.7		7.7		8.7		
9.8			2.8		3.8		5.8		7.8		8.8		
9.9			2.9		3.9		5.9		7.9		8.9		
9.10			2.10		3.10		5.1		7.1		8.1		
9.11			2.11		3.11		5.11		7.11		8.11		
9.12			2.12		3.12		5.12		7.12		8.12		
9.13			2.13		3.13		5.13		7.13		8.13		
9.14			2.14		3.14		5.14		7.14		8.14		
9.15			2.15		3.15		5.15		7.15		8.15		

Key Objective: Ref. No. 11	Key Objective: Ref. No. 12	Key Objective: Ref. No. 13	Key Objective: Ref. No. 16
Minimise any perceived or real democratic deficit	Effective communication with internal partners	Development where possible of harmonised approach to service delivery by partners	Taking on additional partners and commercial trading
Responsibility: MB/JC	Responsibility: SJ	Responsibility: MB	Responsibility:
Associated Key Risk(s)	Associated Key Risk(s)	Associated Key Risk(s)	Associated Key Risk(s)
Local Member / Citizen identifies or perceives lack of democratic accountability for new service	Communication / interface with other services	Potential financial risk to partners in relation to trading activities	Potential financial risk to partners in relation to trading activities
		Delivering over a wider service area may lead to reduced influence for individual partners locally	Delivering over a wider service area may lead to reduced influence for individual partners locally
Impact(s)	Impact(s)	Impact(s)	Impact(s)
Members may not buy into the Shared Service arrangement	Some elements of the new service have key links back to services within the authorities e.g. Planning. These cannot be lost otherwise processes will not work properly	Post code lottery on provision and charges, makes things difficult for any front end (i.e. HUB) to advise as there will be different provisions in different areas.	Larger economies of scale may deliver potential further savings
Citizens may have concerns over loss of localised provision	Difficult conditions in different areas, Business customers operating in more than one area face different requirements from the same service	Difficult conditions in different areas, Business customers operating in more than one area face different requirements from the same service	If it goes wrong, potential for higher costs
Members and citizens may perceive that the joint service is not as good as the previous one.	Some fees may be open to challenge as a standard processing system will be in place but fees will be different.	Some fees may be open to challenge as a standard processing system will be in place but fees will be different.	

Current Key Controls		Current Key Controls		Current Key Controls		Current Key Controls	
Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements	Action Ref.	Rating
11.1	Medium	Ensure good communications back to the constituent authorities	12.1	Medium	Ongoing liaison with relevant parts in partner councils (eg Planning)	13.1	Medium
11.2	Low	Ensure all publicity pushes the joint nature of services	12.2			13.2	Medium
11.3	Low	Maintaining "localism" into the operational delivery	12.3			13.3	
11.4			12.4			13.4	
11.5			12.5			13.5	
11.6			12.6			13.6	
11.7			12.7			13.7	
11.8			12.8			13.8	
11.9			12.9			13.9	
11.10			12.10			13.10	
11.11			12.11			13.11	
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Risk Register

Service: #REF!	Current Position Key:
	Behind Target
	On Target
	Completed

RED
GREEN
BLUE

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
1	One effective and efficient database system across the partners	1.1	Design specification correctly and on time	SW	Business Manager	Oct-11	High		
		1.2	Follow procurement process in timely fashion	SW	Business Manager	Mar-12	High		
		1.3	Ensure sufficient in-house support for system maintenance and	SW	Business Manager	Mar-12	High		
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2	Mobile and efficient Business Continuity arrangements in place	2.1	Mobile / flexible working equipment for all staff	Team Managers	Team Managers	Dec-11	Low		
		2.2	Have business continuity plan in place	Level B	Business Manager	Mar-12	Low		
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Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
3	Maintain our capacity to achieve service delivery	3.1	Have business continuity plan in place	Level B	Business Manager	Mar-12	Low		
		3.2	Active participation regional, sub regional groups by team members	Team Managers	Team Managers	Ongoing	Medium		
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4	Effective and efficient contract arrangement for dog control	4.1	Design specifications contracts correctly and on time	WM/AF	Business Manager/Team Manager (Central Operations)	Sep-11	Medium		
		4.2	Follow procurement process in timely fashion	WM/AF	Business Manager/Team Manager (Central Operations)	Dec-11	Medium		
		4.3	Restructure dog warden service	Level B/AF	Business Manager/Team Manager (Central Operations)	Mar-12	Medium		
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5	Robust arrangements in place in relation to obtaining legal advice and monitoring legislative changes	5.1	Legal advice to be sought throughout the entire process using internal and external lawyers according to the information required.	Team Managers	Team Managers	Ongoing	Medium		
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Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
6	Robust arrangements in place to respond to an environmental incident/disaster	6.1	Maintain emergency plans for foreseeable incidents	Team Manager	Team Managers	Ongoing	Medium		
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7	Effective and efficient budgetary control	7.1	Monthly monitoring of budgets	Team Managers	Team manager	Ongoing	Medium		
		7.2	Regular report to Management Board	SJ	Head of Regulatory Services	Ongoing	Low		
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8	Service provision complies with Government requirements	8.1	Ongoing liaison with Government stakeholders	SJ	Head of Regulatory Services	Ongoing	Low		
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9	Achieve stable levels of contribution from partner authorities.	9.1	Partners conform with legal agreement on budgetary cost	Management Board	Management Board members	Ongoing	High		
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Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
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Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
10	Host provides high quality support services to ensure effective service provision	10.1	Maintain ongoing liaison with host authority	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers and Team Managers	Ongoing	Medium		
		10.2	Ensure Management Board informed of significant failings	SJ	Head of Regulatory Services	Ongoing	Medium		
		10.3	Host authority to deal with issues in a timely fashion	KD	Chief Executive, Bromsgrove	Ongoing	High		
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11	Minimise any perceived or real democratic deficit	11.1	Ensure good communications back to the constituent authorities	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Ongoing	Medium		
		11.2	Ensure all publicity pushes the joint nature of services	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Ongoing	Low		
		11.3	Maintaining "localism" into the operational delivery	Senior Management Team	Head of Regulatory Services, Business Managers,	Ongoing	Low		
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12	Effective communication with internal partners	12.1	Ongoing liaison with relevant parts in partner councils (eg Planning)	Team Manager	Team Managers	Ongoing	Medium		
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Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
13	Development where possible of harmonised approach to service delivery by partners	13.1	Have clear scripting for Customer Service staff so that they know the different provisions in each district	Team Manager	Team Managers	Ongoing	Medium		
		13.2	Gradually move towards a more standardised approach within the demands of individual local authorities	Senior Management Team	Head of Regulatory Services, Business Managers	Ongoing	Medium		
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14	Level of savings required outstrips ability of business transformation and change processes to deliver efficiencies	14.1	Clear timetable for application of systems thinking in all areas	DM	Team manager Support Services	Sep-11	High		
		14.2	Implement changes in timetable	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Dec-11	High		
		14.3	Effective communication with staff around change procedures	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Ongoing	Medium		
		14.4	Regular reports to Management Board	SJ	Head of Regulatory Services,	Ongoing	Medium		
		14.5	Ensure all managers and senior practitioners have had change management training	Senior Management Team	Head of Regulatory Services, Business Managers,	30/09/11	Low		
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Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
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Completed by: #REF!
Job Title: #REF!
Date: #REF!