

WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL

WORCESTERSHIRE REGULATORY SERVICES

MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE

THURSDAY 26TH SEPTEMBER 2013 AT 4.30 P.M.

**THE COMMITTEE ROOM, THE COUNCIL HOUSE, BURCOT LANE,
BROMSGROVE**

MEMBERS: Bromsgrove District Council: Councillor C. B. Taylor
Bromsgrove District Council: Councillor M. A. Bullivant
Malvern Hills District Council: Councillor Mrs B. Behan
Malvern Hills District Council: Councillor D. Hughes
Redditch Borough Council: Councillor J. Fisher
Redditch Borough Council: Councillor B. Clayton
Worcester City Council: Councillor Mrs. L. Denham
Worcester City Council: Councillor R. Berry
Worcestershire County Council: Councillor Mrs. L. Hodgson
Worcestershire County Council: Councillor A. Blagg
Wychavon District Council: Councillor R. Davis
Wychavon District Council: Councillor K. Jennings
Wyre Forest District Council: Councillor M. Hart
Wyre Forest District Council: Councillor P. Harrison

AGENDA

1. Apologies for absence and notification of substitutes
2. Declarations of Interest
3. To confirm the accuracy of the minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 27th June 2013 (Pages 1 - 8)
4. Worcestershire Regulatory Services Annual Return 2012 / 2013 - TO FOLLOW
5. 1st Quarter Performance and Activity Report (Pages 9 - 18)
6. Report on activity in relation to Food Contamination following the horse meat scandal (Pages 19 - 22)
7. Worcestershire Regulatory Services Budget Monitoring Report (Pages 23 - 30)

8. Core Service matrix for Worcestershire Regulatory Services (Pages 31 - 36)
9. Worcestershire Regulatory Services Future Financial Planning Assumptions (Pages 37 - 38)
10. Review of apportionment of Worcestershire Regulatory Services Partner Costs 2013 / 2014 (Pages 39 - 50)
11. To consider any other business, details of which have been notified to the Head of Legal, Equalities and Democratic Services prior to the commencement of the meeting and which the Chairman considers to be of so urgent a nature that it cannot wait until the next meeting

K. DICKS
Chief Executive

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

18th September 2013

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE

THURSDAY, 27TH JUNE 2013 AT 5.40 P.M.

PRESENT: Councillors Mrs. B. Behan, R. Berry, A. N. Blagg (during Minute No's 1/13 to part of 8/13), M. A. Bullivant, B. Clayton, R. Davis, Mrs. L. Denham, P. Harrison, Mrs. L. Hodgson, D. Hughes, K. Jennings, P. Mould (substituting for J. Fisher), C. B. Taylor and S. Williams (substituting for M. Hart)

Observers: Councillor J. Fisher, Redditch Borough Council and Mr. I. Pumfrey, Head of Customer Services, Malvern Hills District Council

Officers: Ms. J. Pickering, Mr. S. Jordan, Ms. C. Flanagan, Mr. M. Kay, Mr. S. Wilkes and Mrs. P. Ross

1/13 ELECTION OF CHAIRMAN

RESOLVED that Councillor Mrs. L. Hodgson, Worcestershire County Council be elected as Chairman of the Joint Committee for the ensuing municipal year.

The Chairman took the opportunity to welcome new Members to the Joint Committee.

2/13 ELECTION OF VICE-CHAIRMAN

RESOLVED that Councillor M. Bullivant, Bromsgrove District Council be elected as Vice-Chairman of the Joint Committee for the ensuing municipal year.

3/13 APOLOGIES

Apologies for absence were received from Councillors J. Fisher, Redditch Borough Council and Councillor M. Hart, Wyre Forest District Council.

4/13 DECLARATIONS OF INTEREST

No declarations of interest were received.

5/13 MINUTES

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 21st February 2013 were submitted.

RESOLVED that the minutes be approved as a correct record.

6/13 **WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING**
APRIL 2012 - MARCH 2013

The Committee considered a report which detailed the financial position for the period April 2012 to March 2013.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so informed the Committee that, as highlighted in 2011/2012, Worcestershire Regulatory Services Joint Committee had been classified as a small relevant body by the Audit Commission as its income was less than £6.5 million. As a result of this classification the requirement of the formal accounting statements for 2012/2013 was limited to the return as detailed at Appendix 2 to the report.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council informed Members that the final position of savings in relation to revenue costs was £349,000. Due to the level of underspend, as detailed on page 10 of the report, together with the financial cuts that each of the participating Councils were faced with in the future; officers had proposed that the Joint Committee approve the refund of the 2012/2013 savings of £349,000 back to each of the participating Councils in 2013/2014. The total refund figure for each participating Council for 2013/2014 was detailed on page 11 of the report.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council informed Members that following the appointment of IDOX for the new ICT system a review of the costs included within the original business case had been undertaken to ensure that the relevant expenditure was allocated to the project. Appendix 5 to the report detailed the anticipated expenditure for the one off costs associated with the implementation of the project. As previously reported there was a saving of £282,000 from the costs originally included in the business case.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council drew Members attention to page 13 of the report, 'Cost Apportionment'. For the reasons, as detailed on page 13 of the report, it was proposed that the two elements, cost apportionment and revised budget, would be presented to the next meeting of the Joint Committee.

The Head of Worcestershire Regulatory Services (WRS) responded to Councillor Mrs. L. Denham with regard to the savings made in respect of staff vacancies and the senior level post that had not been filled during the year. The Head of WRS explained that the service was still going through transformation so had not recruited permanently; also it had proved difficult to backfill as the vacancies were quite specialist vacancies. The Head of WRS highlighted to the Committee that WRS were still maintaining performance levels and that savings had not been made at the cost of service delivery.

RESOLVED:

- (a) that the financial position for the period April 2012 to March 2013, be noted;

- (b) that the refund of the 2012/2013 underspend of £349,000 to the participating Councils, to be allocated on the percentage basis as detailed in the Business Case 2010/2011. The total of £349,000 to be repaid in 2013/2014, as set out below, be approved:

Council	% Share	Refund of savings £'000
Bromsgrove	11.05%	39
Malvern Hills	9.58%	33
Redditch	11.31%	39
City of Worcester	11.11%	39
Wychavon	16.55%	58
Wyre Forest	10.82%	38
Worcestershire	29.58%	103
		349

- (c) that the Annual Return to include the Accounting Statements for the Joint Committee for the period 1st April 2012 to 31st March 2013, be approved; and
- (d) that the Internal Audit Manager's assurance statement for the financial year 2012/2013, as set out in Appendix 4 to the report, be noted.

7/13 **WORCESTER CITY PILOT FOR REVISED SERVICE DELIVERY**

The Committee considered a report which detailed the pilot of amended service delivery for Worcester City Council.

Members were reminded that at the Joint Committee meeting held on 22nd November 2012, Members had agreed to sanction a pilot of amended service delivery for Worcester City Council with the objective of saving £40,000 during the financial year 2013/2014.

Mr. M. Kay, Business Manager, Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that work had started in order to determine which areas of work would be suitable for such a pilot. A meeting had been held on 30th January 2013 with officers from Worcester City Council (WCC) where a suite of costed alternatives was suggested. It was made clear during the meeting that certain areas of work would not be suitable for the pilot and that nothing within the pilot should result in additional work for WCC.

Further work was carried out and WCC were offered a 'menu' of alternatives which resulted in an additional meeting on 8th March 2013, where it was agreed to use planning consultations and some areas of nuisance (air pollution and accumulations) as a basis for the pilot. The aim was to reduce the number of planning applications WCC referred to Worcestershire Regulatory Services and to promote self-help to reduce the level of nuisance

complaints dealt with. On 22nd March 2013 written confirmation of these proposals was sent to WCC. On 19th April 2013 WCC reported that they could not proceed with the current proposal to reduce the level of planning consultations and that an alternative had to be found. On 29th May 2013 final agreement was reached and amounted to a three month pilot to:-

- a) Reduce the number of planning consultations, currently 150-200 per year, by planning officers at Worcester City Council screening referrals.
- b) The three areas of nuisance, (air pollution, drainage and accumulations of rubbish) not to be dealt with at first contact but complainants be referred to Worcester City Council website and encouraged to self-help.

It was proposed that with respect to nuisance complaints falling into the above category, complainants would be directed to Worcester City Council (WCC) website and encouraged to self-help, i.e. approach the persons causing the nuisance and ask them to desist. To help with this a template of letters etc. would be placed on WCC website and the hope was that this would reduce the number of investigations WRS would have to carry out. Monthly meetings to assess progress would be held and the pilot would be assessed after three months in order to see if it had achieved the purpose of reducing WCC costs, and if so, by how much.

The Business Manager, WRS responded to Members questions with regard to elderly and vulnerable residents and highlighted that elderly and vulnerable residents would not be asked to self-help, duty officers would ascertain if residents were elderly or vulnerable. Duty officers would also refer to any historical data.

The Business Manager, WRS further responded to Members questions with regard to planning consultations, planning officers would not have the expertise to deal with some applications, e.g. air pollution. The Business Manager, WRS agreed, but informed Members that planning officers would be issued with self-help tools and guidance to deal with other planning applications, thus reducing the number of planning consultations forwarded to WRS.

RESOLVED:

- (a) that the Worcester City Council pilot for revised service delivery, be noted: and
- (b) that a further report at the completion of the three month pilot, detailing projected cost savings (if any) and any other associated issues raised by the introduction on the changes, be brought back to the Joint Committee.

8/13 **WORCESTERSHIRE REGULATORY SERVICES ANNUAL REPORT 2013 / 2014**

The Committee considered the Worcestershire Regulatory Services Annual Report for the period 1st April 2012 to 31st March 2013.

The Head of Worcestershire Regulatory Services (WRS) informed the Committee that under the Worcestershire Shared Services Partner Agreement the Joint Committee was required to receive the annual report at its annual meeting. The report covered the performance of the service for the period 1st April 2012 to 31st March 2013, however individual Councils captured and reported on different performance measures; therefore it had proved difficult to make comparisons across the service.

The Head of WRS informed Members that the report covered the performance of the service. 2012/2013 had been very much one of embedding the results from earlier work on transforming the service and continuing to explore options to reduce future financial pressures on the budget. The savings indicated in the original business case, of 17.5%, had been exceeded with 23% savings achieved. WRS had continued to redesign services to drive out waste from the system. The application of the 'Systems Thinking' approach to service redesign had been an on-going theme during the year. Focus would remain on contributing to the three strategic priorities, developed from partners own priorities:

- Supporting the local economy
- Improving Health and Well Being
- Tackling and Preventing Crime and Disorder

The Head of WRS drew Members attention to 'Performance', as detailed on pages 38 and 39 of the Annual Report and provided Members with the previous year's figures for comparison. He then responded to a number of questions from Members with regard to:-

- Staff sickness
- Noise complaints
- % of vehicles found to be defective whilst in service
- % of food premises visited and the number of times visited before enforcement powers were used.

The Head of WRS also drew Members attention to 'Other Highlights' as detailed on pages 42 to 47 of the Annual Report. Specifically the Horsemeat Scandal and that as a result of work carried out WRS was invited to appear before the Parliamentary Select Committee to provide evidence on the Local Authorities response to the scandal.

The Head of WRS responded to Members' questions with regard to public burials as detailed on page 65 of the report. Members were informed that, The Public Health (Control of Diseases) Act 1984 placed a statutory duty on District Councils for registering the death and arranging the funeral of any person who had died within their District in cases where there were no known relatives or friends able to make the necessary arrangements. Councils only dealt with those that died at home, or on the street, where it appeared that no other agency or persons were making suitable arrangements for the disposal of the body. A person, who died in hospital, or in an ambulance on the way to hospital, became the responsibility of the health authority.

RESOLVED:

- (a) that the Worcestershire Regulatory Services Annual Report 2012/2013 be agreed; and
- (b) that a copy of the Worcestershire Shared Services Annual Report 2012/2013 be forwarded to the Chief Executive / Managing Director of each member authority.

9/13 **WORCESTERSHIRE LEP/WRS CHARTER ACTION PLAN**

The Committee considered a report which detailed the Worcestershire Local Enterprise Partnership (WLEP) / Worcestershire Regulatory Services (WRS) Charter Action Plan and the actions to be taken to deliver the aims contained within the Charter.

Mr. M. Kay, Business Manager, Worcestershire Regulatory Services introduced the report and in doing so informed the Committee that, The Regulatory and Business Charter was launched in November 2012 and set out a number of aims which local authorities and national regulators would deliver to local businesses.

The Charter covered eight main aims which covered areas such as business support and creating an environment within which businesses could flourish whilst the public were still protected.

To assist with delivering the necessary outcomes a funding bid was made to the Better Regulation Delivery Office (BRDO) and a grant of £15,000 had been made available to assist with delivering both the action plan and the actions contained therein.

RESOLVED that the Worcestershire Local Enterprise Partnership / Worcestershire Regulatory Services Charter Action Plan and the aims contained within the Charter, be approved.

10/13 **WORCESTERSHIRE REGULATORY SERVICES CONTRIBUTION TO WORCESTERSHIRE HEALTH AND WELL BEING STRATEGY**

The Committee considered a report which detailed the Worcestershire Regulatory Services Contribution to Health and Wellbeing.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that, public health returned to local government in April 2013 under changes brought about by the Health and Social Care Act 2012. This legislation placed a statutory duty on upper tier authorities through the Health and Wellbeing Board to 'take steps to improve the health of their local population'. This would require collaboration with the Districts and other partners, including WRS by aligning priorities, services, resources and activities with the Worcestershire Joint Health and Wellbeing Strategy.

WRS had a vision that Worcestershire was a healthy, safe and fair place to live, where businesses could thrive and had prioritised health and wellbeing as one of its key priorities.

With public sector resources shrinking, demand growing and health inequalities widening, the Health and Wellbeing Board, District and County partners would want to acknowledge the multifaceted contribution that WRS played in the preventative public health agenda when considering, integrating and commissioning against local priorities in this area.

WRS currently contributed in two ways:-

- 1) through the statutory duties it performed.
- 2) through commissioned work in the field of health improvement.

To date WRS had received in excess of £100,000 in grants from Public Health and from the Redditch and Bromsgrove Clinical Commissioning Group to carry out work which aligned with its core competencies to support businesses and their workforces.

WRS, the new delivery arm of the six Worcestershire District Councils and County Council provided a huge range of regulatory services in relation to Environmental Health, Trading Standards and Licensing functions. From environmental protection to food safety, consumer protection to business support. WRS activities impacted significantly on the wider determinants of health, in addition to the public health domains of health improvement and health protection.

The Head of WRS responded to Members' questions with regard to why only Redditch and Bromsgrove Clinical Commissioning Group had engaged with WRS. The Head of WRS informed Members that WRS had struggled to engage and involve Wyre Forest and South Worcestershire Clinical Commissioning Groups. A report would be going to the Health and Well Being Board.

Further discussion followed on the report with regard to:

- Healthy eating and planning applications received for hot food takeaways
- Air Quality
- Scrap Metal Merchants and the recent fires at waste reclamation yards
- Illegal money lenders

RESOLVED that the report detailing the contribution made to Health and Wellbeing of Worcestershire, by Worcestershire Regulatory Services, be noted.

The meeting closed at 7.15 p.m.

Chairman

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JOINT COMMITTEE

26th September 2013

Activity Data Quarter 1

Recommendation

That members note the report

Contribution to Priorities

The report covers both district and county functionality so covers the wide range of local authority corporate priorities to which regulatory services contribute

Introduction & Report

Joint Committee members have asked the service to provide data on activity levels to help reassure local members that WRS activity continues to tackle issues broadly across the county.

The attached report follows the format of previous reports, however, due to data transfer issues, we are currently only able to report on April and May of quarter 1. June was the month during which all data was transferred to the new database and the team developing the IT system are still working on the reports needed to extract data from the system. It is our intention to report on June's activity with the Quarter 2 activity report, which will come to the November Committee, by which time all of the reporting should be up and running and we should be able to give a fuller picture of activity, including inspection data.

The information shows that consumer complaints relating to Trading Standards functions remain at the same level as last year. The common top areas are still second hand cars, home improvements and furniture. The spread of Nuisance complaints across the districts is similar to previous reports. We had a cold spring, so this data does not show the large spike that our staff experienced from July onwards. However, the volume of nuisance complaints (751) for April

and May is the same volume as we received between October and December (Quarter 3,) in 2012, showing that, even when the weather is not at its best, there is still a strong seasonality to this type of demand.

A recent review of the WRS website also shows local people are finding it a useful source of information. When it was established, estimates of around 10,000 hits per annum were thought to be reasonable for a site of its kind. In the past 12 months around 38000 hits have been recorded from 31000 distinct individuals. Around a third of these hits are from mobile devices (smart phones and tablets,) reflecting the growing use of new technology to access the service.

Financial Implications

None

Sustainability

None

Contact Points

Simon Wilkes
Business Manager
01527-548314

Background Papers

Activity Data Report



Activity Data | Complaints & Enquiries

The data referred to in this report covers the FLARE database from 1st April 2013 to 31st May 2013. All efforts have been made to ensure accuracy of the data however there may be some anomalies. Any errors would not be sufficient as to impact on the accuracy of the picture painted in this report.

Document Details:

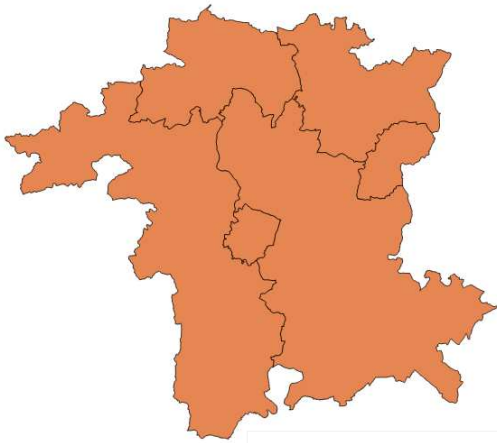
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Date: 16/09/2013

Last Update:

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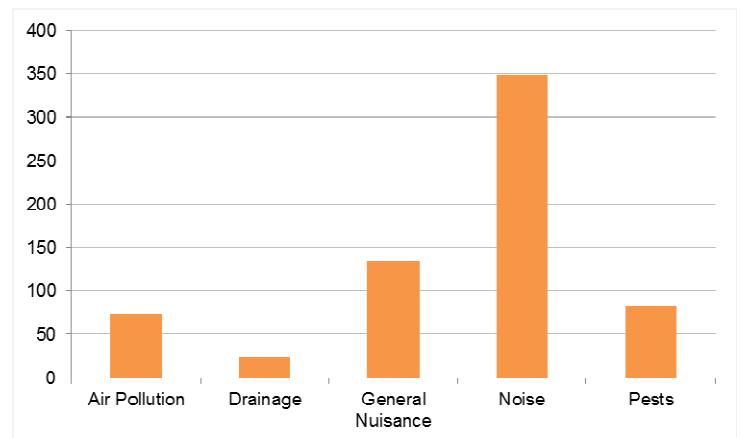




Worcestershire

Nuisance

	Nuisance	
BR	Bromsgrove	92
MH	Malvern Hills	94
RE	Redditch	121
WC	Worcester City	118
WY	Wychavon	124
WF	Wyre Forest	113
	Out of County / Unknown	89
	Total	751



Consumer Complaints

	Consumer Complaints	1474
CDR	CACS Referral	325
CDN	CACS Notification	881

During April and May 2013, WRS received 1474 consumer complaints or enquires. 82% of cases were received via the Citizens Advice Consumer Service (CACS).

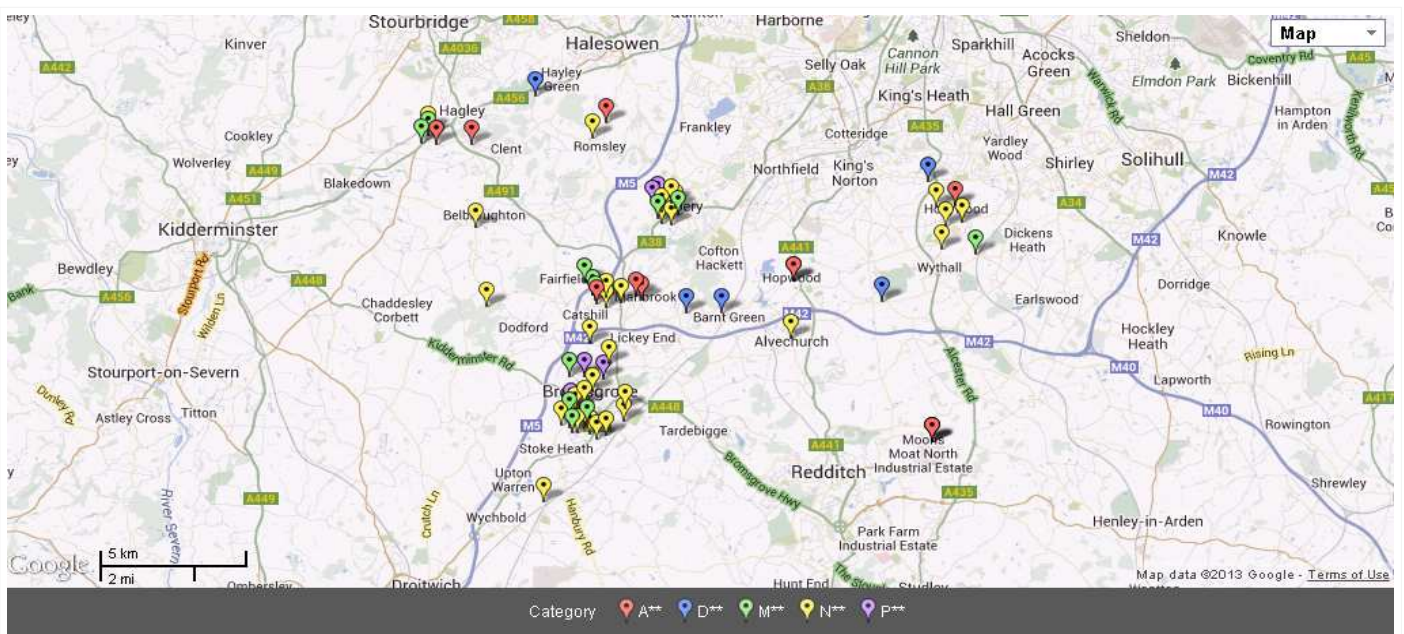
Complaints or enquires received via CACS fall under two categories; notifications (CDN) and 'referrals (CDR). Notifications are generally passed through for information as the consumer is out of county or no further advice is required. Referrals require further assistance or investigation.

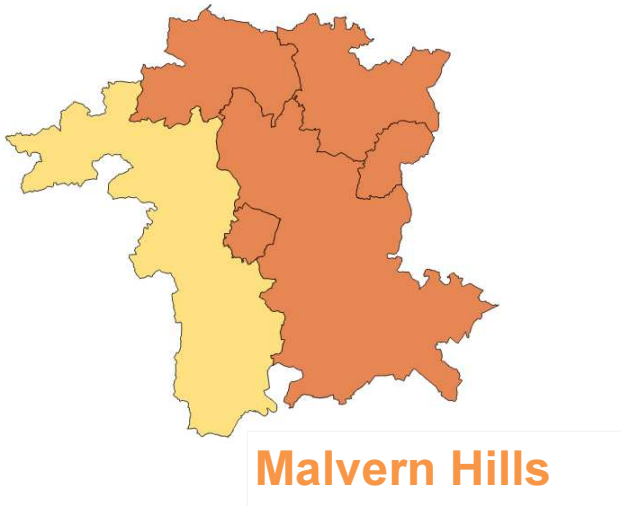
	Top 5 consumer complaint categories	
EE	Second Hand Motor Vehicles	191
AB	Home Maintenance & Improvements	169
AD	Furniture & Pictures	106
BA	Food & Drink	60
DE	Ancillary Credit Business	59



	Nuisance	92
A**	Air Pollution	12
D**	Drainage	8
M**	General Nuisance / Pollution	18
N**	Noise	44
P**	Pests	10
	Food	20
	Health & Safety	10
	Planning	29
	Public Burial	
	Other Complaints or Enquiries	9

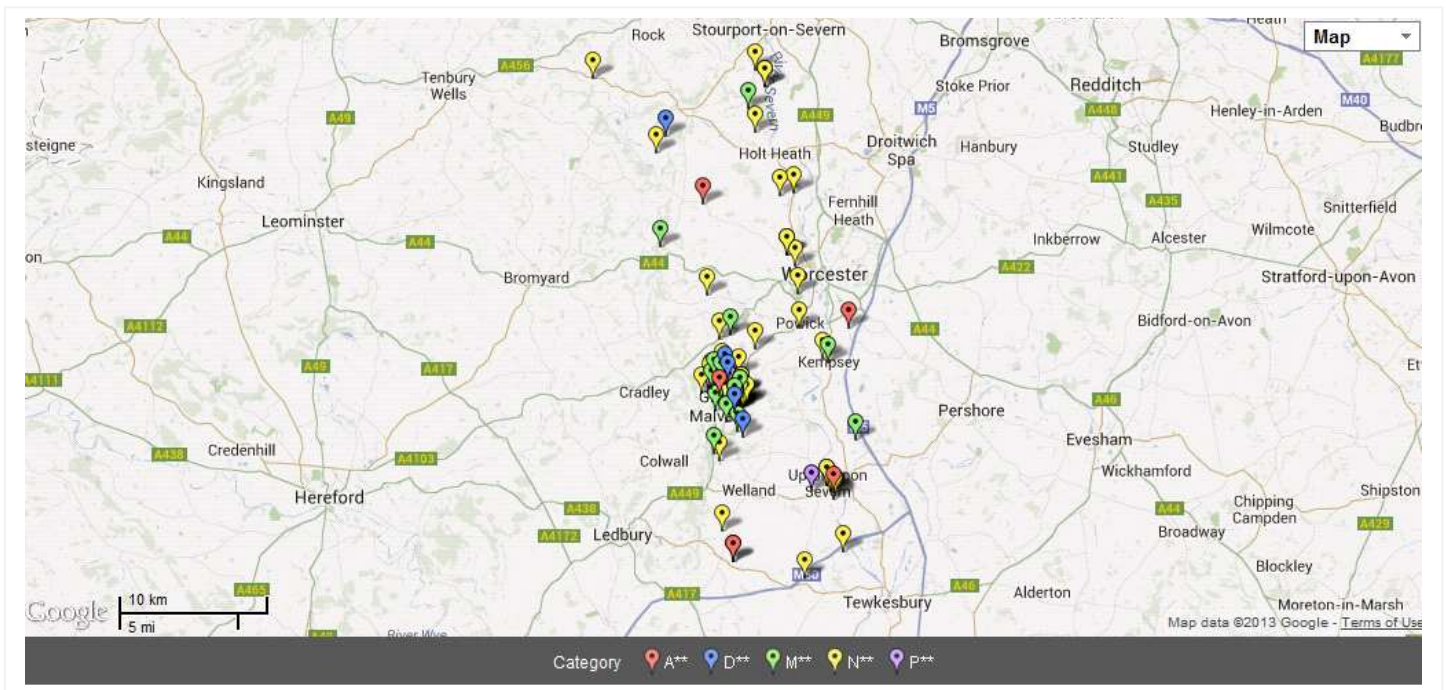
	Consumer complaints received via CACS (Citizens Advice Consumer Service)	96
	Consumer complaints received by WRS	29
	Top 3 consumer complaint categories	
EE	Second Hand Motor Vehicles	21
AB	Home Maintenance & Improvements	13
AD	Furniture & Pictures	9

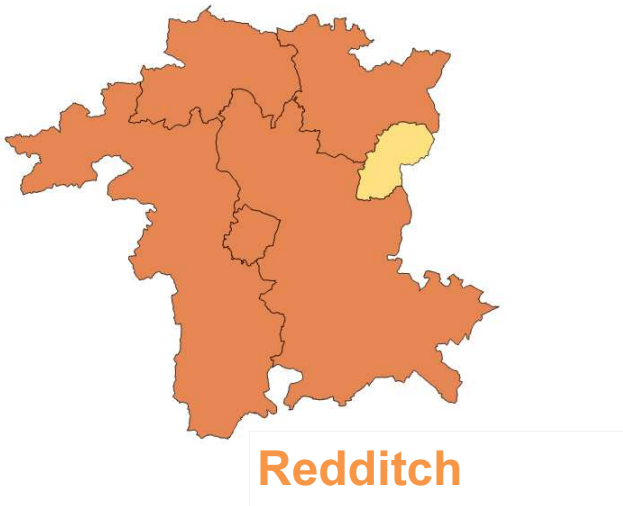




	Nuisance	94
A**	Air Pollution	9
D**	Drainage	6
M**	General Nuisance / Pollution	22
N**	Noise	53
P**	Pests	4
	Food	22
	Health & Safety	8
	Planning	32
	Public Burial	3
	Other Complaints or Enquiries	5

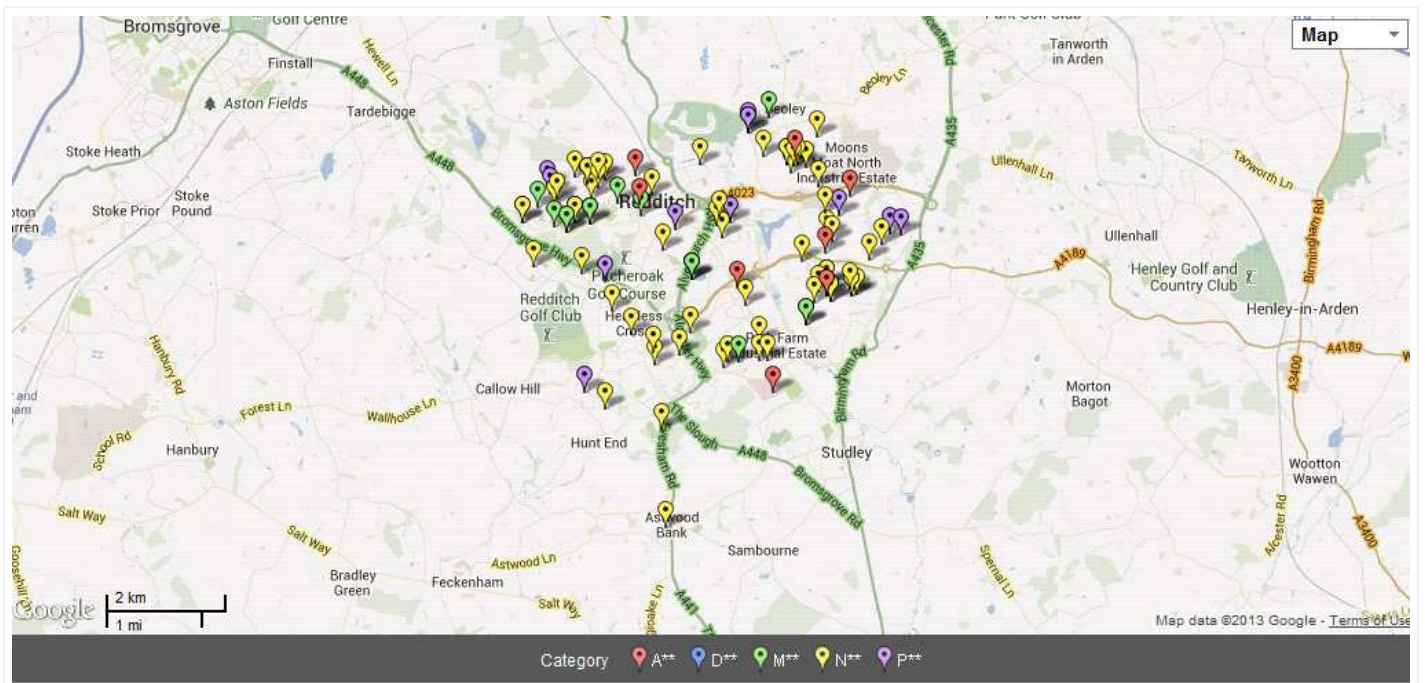
	Consumer complaints received via CACS (Citizens Advice Consumer Service)	28
	Consumer complaints received by WRS	23
	Top 3 consumer complaint categories	
AD	Pets & Veterinarian Products/Services	9
AB	Home Maintenance & Improvements	5
EE	Second Hand Motor Vehicles	5





	Nuisance	121
A**	Air Pollution	12
D**	Drainage	1
M**	General Nuisance / Pollution	14
N**	Noise	77
P**	Pests	17
	Food	17
	Health & Safety	6
	Planning	19
	Public Burial	
	Other Complaints or Enquiries	7

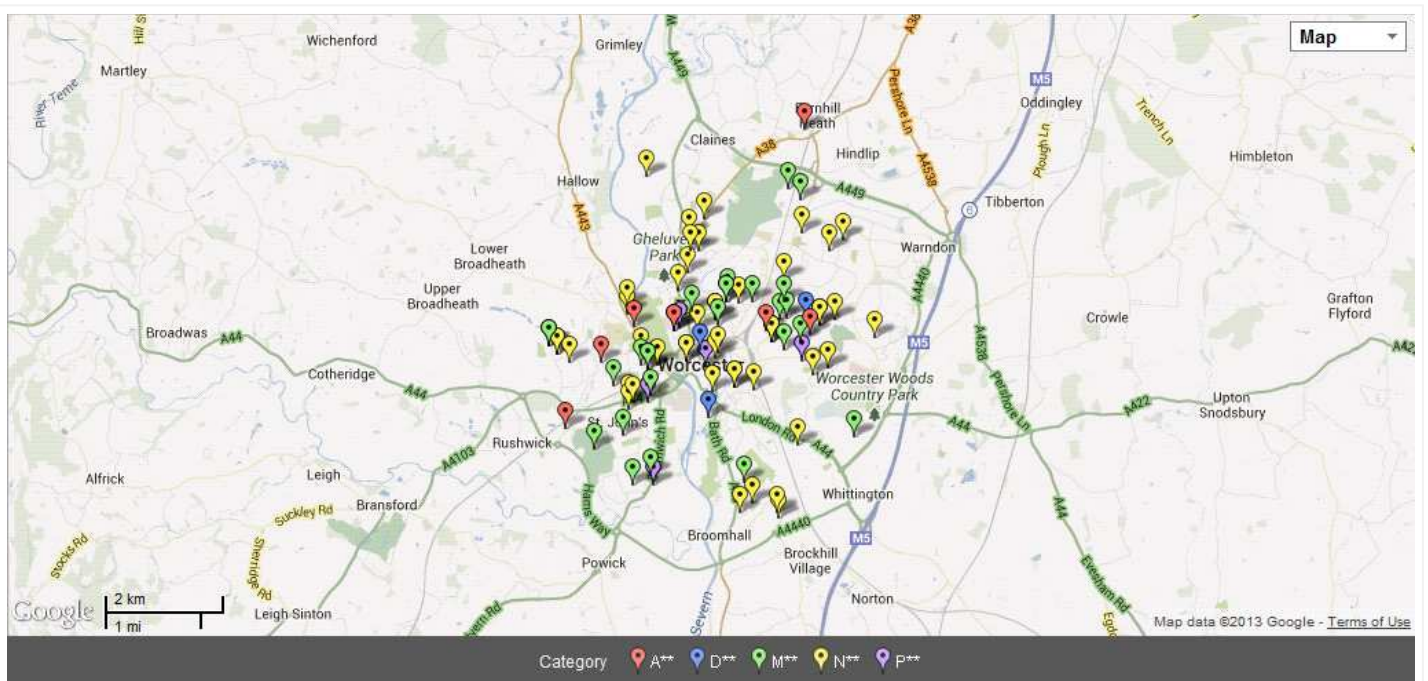
	Consumer complaints received via CACS (Citizens Advice Consumer Service)	116
	Consumer complaints received by WRS	22
	Top 3 consumer complaint categories	
AB	Home Maintenance & Improvements	37
EE	Second Hand Motor Vehicles	16
AD	Furniture & Pictures	12





	Nuisance	118
A**	Air Pollution	10
D**	Drainage	4
M**	General Nuisance / Pollution	32
N**	Noise	64
P**	Pests	8
	Food	26
	Health & Safety	15
	Planning	33
	Public Burial	3
	Other Complaints or Enquiries	6

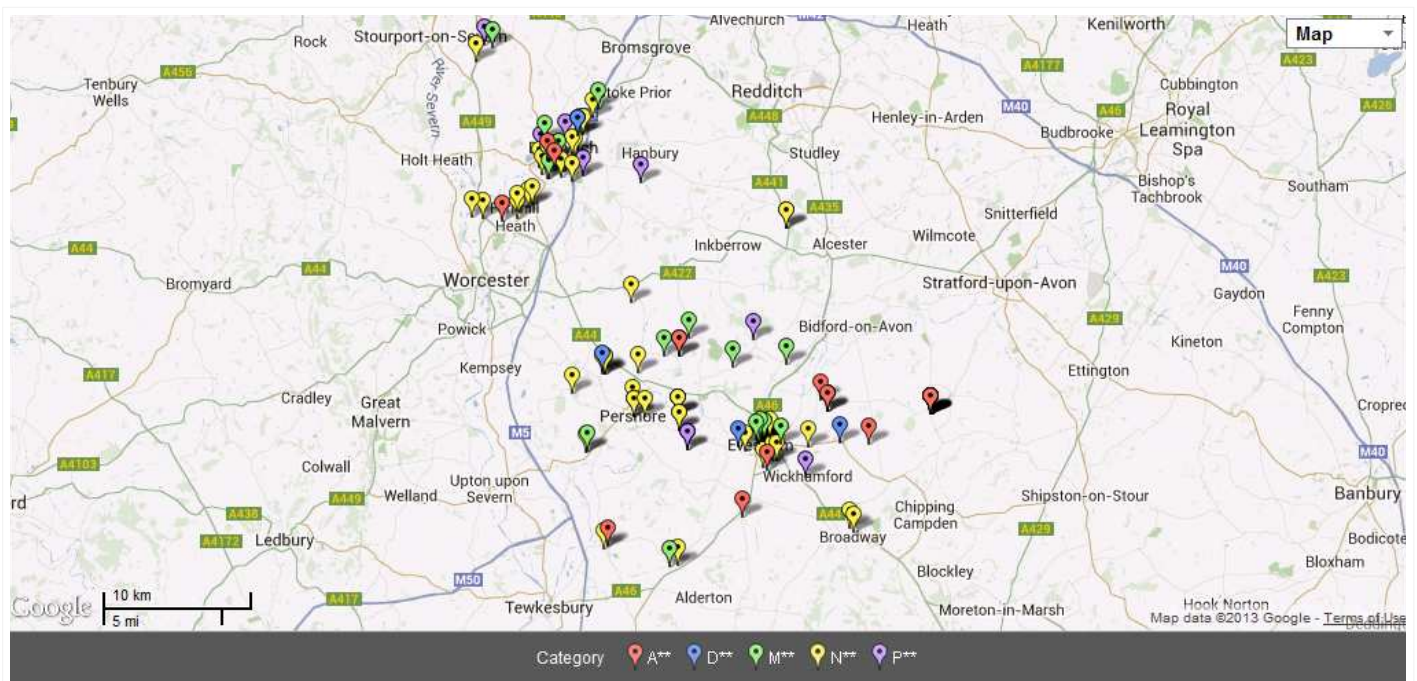
	Consumer complaints received via CACS (Citizens Advice Consumer Service)	121
	Consumer complaints received by WRS	18
	Top 3 consumer complaint categories	
AB	Home Maintenance & Improvements	24
EE	Second Hand Motor Vehicles	14
BA	Food & Drink	10

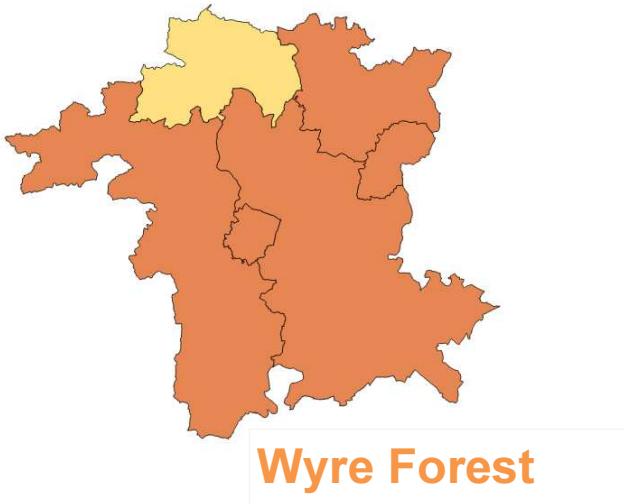




	Nuisance	124
A**	Air Pollution	19
D**	Drainage	4
M**	General Nuisance / Pollution	27
N**	Noise	60
P**	Pests	14
	Food	29
	Health & Safety	9
	Planning	35
	Public Burial	
	Other Complaints or Enquiries	15

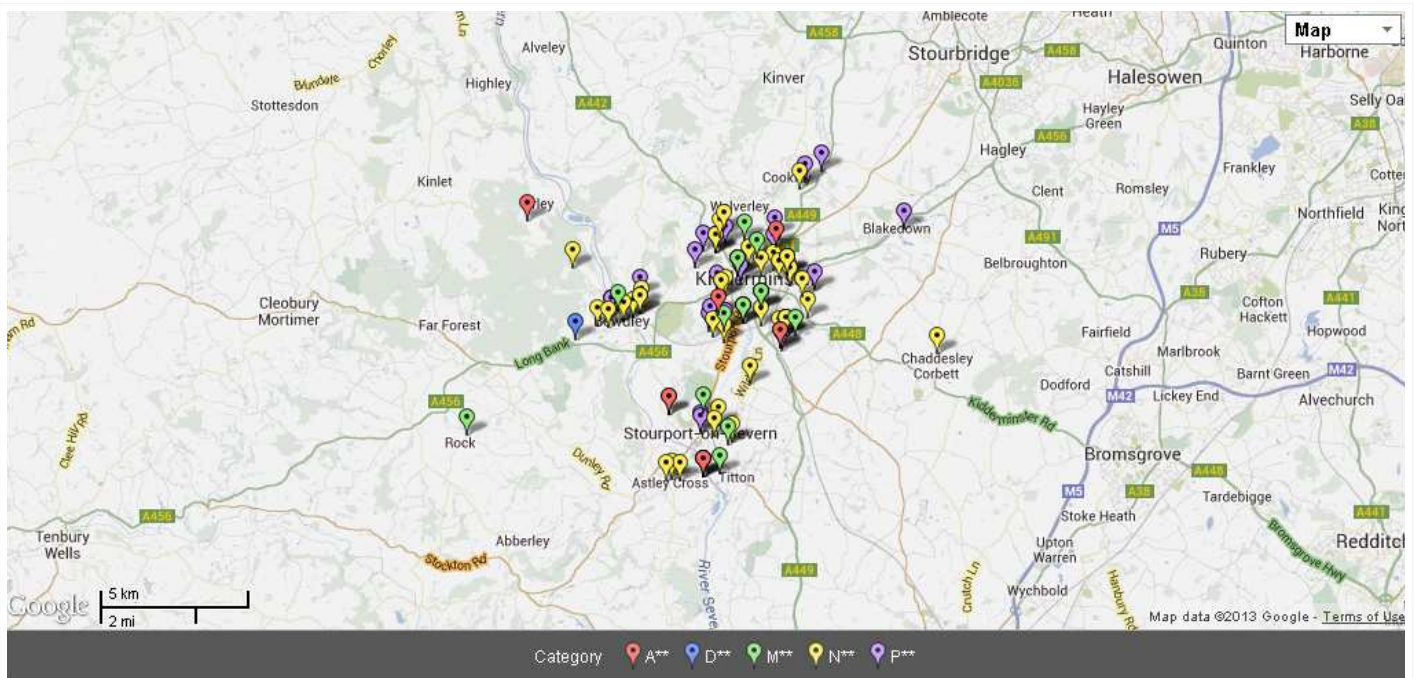
	Consumer complaints received via CACS (Citizens Advice Consumer Service)	129
	Consumer complaints received by WRS	46
	Top 3 consumer complaint categories	
AD	Furniture & Pictures	26
EE	Second Hand Motor Vehicles	24
BA	Food & Drink	13





	Nuisance	113
A**	Air Pollution	11
D**	Drainage	1
M**	General Nuisance / Pollution	21
N**	Noise	51
P**	Pests	29
	Food	21
	Health & Safety	10
	Planning	17
	Public Burial	
	Other Complaints or Enquiries	4

	Consumer complaints received via CACS (Citizens Advice Consumer Service)	
	Consumer complaints received by WRS	
	Top 3 consumer complaint categories	
EE	Second Hand Motor Vehicles	16
AD	Furniture & Pictures	11
AB	Home Maintenance & Improvements	8



Joint Committee 26th September 2013

Title: Report on activity in relation to Food Contamination following the Horse Meat Fraud

Recommendation

That the Joint Committee notes the report, recognises the importance of the role of Worcestershire Regulatory Services plays in preventing and/or detecting food fraud and that the Committee expresses continued support for minimum levels of market testing through sampling by the service.

Introduction

The discovery of undeclared horse meat in a wide range of meat products earlier this year has undermined consumer confidence in the meat industry. It has also raised concerns about the traceability of food, long supply chains and the ability of businesses and responsible agencies to effectively maintain the integrity of the food supply.

The sampling of products, including food, is an essential tool used by Worcestershire Regulatory Services as a means of testing the market for a number of purposes:

- Checking food labels, to determine whether the product contains unsafe or undeclared ingredients, e.g. allergens or pork in Halal meat products
- Checking whether products meet compositional standards e.g. excessive levels of fat or insufficient meat
- Checking for deliberate fraud, such as the substitution of expensive products for cheaper ones e.g. Panga fish from Asia for cod, or horse meat for beef
- Checking other consumer products for safety (e.g. toys/electrical products) or claims/ descriptions.

Sampling is generally the only means of determining what is in a product and/ or whether it is safe. It is not just the consumer who is at risk if a product is mis-described, it is an unfair commercial practice which undermines responsible and honest businesses. Sampling activity supports a number of Worcestershire Regulatory Service's strategic aims which include:

1. Support economic growth, especially in small businesses, by ensuring a fair, responsible and competitive trading environment

Report

2. Help people to live healthier lives by preventing ill health and harm and promoting public health
3. Ensure a safe, healthy and sustainable food chain for the benefits of consumers and the rural economy

Hence it remains a key element of our control strategies.

The Food Standards Agency Ireland, which uncovered the horse meat fraud, stated that;

“the survey of beef products [which uncovered the horse meat] was a routine, albeit infrequent survey. It was not based on a tip off or so called “intelligence”. It was based on common sense and a detailed understanding of the food chain which we are required to police”.

Extensive testing of processed and frozen beef products sold in the UK since January has revealed that the horse meat contamination was limited to a relatively small number of products with more than 99% of those tested found free of horse DNA. Tests across EU Member States found 4.66% of products tested contained over 1% horse DNA.

Consumer confidence in the frozen and processed meat sector has fallen as a result of this scandal.

The evidence suggests that the presence of horse meat resulted from fraudulent practice by elements of the food industry, seeking to make an additional profit and able to do so despite food traceability requirements.

In separate EU-mandated tests for the presence of phenylbutazone (bute) in horses slaughtered for human consumption, the UK had the largest number of positive results.

It is considered that retailers should have been more vigilant against the risks of adulteration, especially where meat products are manufactured from ingredients traded many times, often across the continent. Consumer confidence would be boosted by shorter, more local supply chains.

It has been recognised that deficiencies in intelligence make it difficult to prevent food fraud. Recommendations from the inquiry into the horse meat fraud include:

- Large retailers, who sell much of the food we eat, should carry out regular DNA tests on meat and meat-based ingredients which form part of processed or frozen meat products.
- The results should be reported to the Food Standards Agency and a summary should be published on the retailer’s website. The additional cost of this testing should be borne by retailers and not passed on to consumers.

Following the discovery of horse meat in beef products the Food Standards Agency requested sampling to be carried out by a number of Local Authorities at specific premises. Although Worcestershire was not one of those authorities asked specifically, a number of Worcestershire businesses involved in meat cutting, preparation and distribution were identified and visited. The purpose was to ensure that no Worcestershire businesses had received the adulterated meat. Samples were taken and submitted to Worcestershire Scientific Services for analysis.

In accordance with activity going on nationally, cold stores in the county were visited to check paperwork and take samples. WRS selected further premises to visit, including schools and the Worcester Royal hospital. Suppliers were identified and a number of samples taken. Results received from Worcestershire Scientific Services, the County Council's public analyst laboratory, did not identify any horse meat in the products.

Letters were also sent to all independent butchers in the county advising them of the need to ensure traceability of beef products and tests of some butchers' raw beef were carried out in response to reported consumer concerns.

Only one sample was found to contain horse meat and this was in a follow-up sample taken in response to a positive result being found at an out of county supplier. A test was carried out in Worcestershire on product from the same batch to help confirm the initial finding.

The report from the inquiry into the horse meat fraud also specifically mentioned the role of Local Authorities in detecting food fraud and maintaining consumer confidence in the food chain. It states that:

"Local authorities are responsible for food sampling and should adopt a more targeted approach, testing food products which are likely to be contaminated, even if there is no intelligence to suggest it. There is significant variation in food sampling levels across local authorities. It is not acceptable for any local authority to have carried out no food sampling for more than a year. The Government should be mindful of the impact of local authority budget cuts and seek to ensure that they do not have a negative impact on food sampling."

The inquiry also went on to express concern about the decline in the number of public analysts who carry out tests and of the public laboratories in which they work. This report stated that this should be kept under review to ensure there are sufficient numbers of properly trained public analysts in the UK.



Worcestershire Regulatory Services has responsibility for the Local Authority role in Worcestershire. The relevant legal provisions fall within horse passports legislation (County Council function,) and detecting and preventing food fraud (County Council Food Standards function,) and food hygiene (District Council Food Safety function,) although the safety implications in relation to horse meat were limited.

Approximately 280 food samples were submitted to Worcestershire Scientific Services during 2012/13, primarily to check for the composition and the accuracy of labelling.

The report makes it clear that Local Authorities are in the front line in dealing with food fraud and have a critical role in its prevention and detection. It also mentions that there was no specific intelligence received (“no tip off”) to direct sampling towards the beef products, but was the result of common sense and a detailed understanding of the food chain.

Detection of food fraud is heavily dependent on sampling by local authority officers. Intelligence plays a role, but intelligence is generally only generated by field officers taking samples and picking up the issues themselves.

Being relatively rural, Worcestershire is a county with an economy that is heavily dependent on the food supply chain and it is important that Worcestershire Regulatory Services maintains the capability and capacity to protect the food chain locally. This necessitates maintaining sufficient numbers of competent officers both to carry out sampling and understand the food chain through appropriate inspection activity and an adequate sampling budget to pay for analysis.

Continued reductions in budgets will seriously impair the ability of Worcestershire Regulatory Services to continue with current levels of sampling. Sampling rates for compositional issues should be in the region of 1.5 samples per 1000 head of population to provide adequate protection for consumers. In the past, the Trading Standards service aimed at 1 sample per 1000 head population, as much of the sampling was part of regionally co-ordinated activity, which improved the benefit derived. The Joint Committee is asked to recognise both the importance of the role of Worcestershire Regulatory Services in preventing and detecting food fraud, and to continue to support minimum levels of market testing through sampling by the service.

Contact point

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Background Papers

None

Worcestershire Regulatory Services

Supporting and protecting you

Joint Committee 26th September 2013

WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING APRIL – JUNE 2013

Recommendation

It is recommended that the Joint Committee:

- 1.1 Consider and note the financial position for the period April – June 2013
- 1.2 Approve the drawdown of the £21k severance costs from the partner councils as identified in Appendix 3 and allocated on the original partner shares.

Contribution to Priorities

The robust financial management arrangements ensure the priorities of the service can be delivered effectively.

Introduction/Summary

This report presents the financial position for Worcestershire Regulatory Services for the period April – June 2013.

Background

Quarterly financial reports are presented for consideration by the Management Board. It is appropriate, due to timing that the report for April – June is presented to this meeting.

Report

Revenue Monitoring

The detailed revenue report is attached at Appendix 1. There is a projected underspend for the year of £27k. Due to staff vacancies, long term sick and maternity there is a projected underspend within salaries of £305k, this is offset by an anticipated overspend on agency staffing of £292k.

The additional agency costs will impact on 2013/14 only as there has been an increase for the service together with supporting the implementation of the new ICT system.

Information Management System

Appendix 2 details the anticipated expenditure for the costs associated with the implementation of the new management information project. As previously reported there is a saving of £282k from the costs originally included in the business case which will not be drawn down from partner authorities.

It is anticipated that the implementation costs will be spent during 2013/14 as shown in appendix 2.

In addition to the implementation costs there will be annual revenue costs resulting from the software, licence charges and service maintenance with the new system. These costs are currently estimated at £79k per annum and are included in Appendix 2.

It is anticipated that funding for these costs will only be required from participating councils for two years only.

Severance Costs

Appendix 3 details the cost of redundancy / pension strain to be drawn from partners to date and the balance remaining as per the original business case.

Financial Implications

None other than those stated in the report

Sustainability

None as a direct result of this report

Contact Points

Jayne Pickering – 01527-881400

Background Papers

Detailed financial business case

	Summary - Full year Budget	Summary - Budget 3 Mths June 13	Summary - Budget 3 Mths June 13	Summary - Expenditure to June 13	Summary - Variance	Summary - Projected outturn	Summary - Projected Outturn Variance	£'000	£'000	£'000	£'000
Direct Expenditure											
Employees	4,125	1,025	907	-118	3,820	-305					
Salary	0	0	98	98	292	292					
Agency Staff	0	0	0	0	0	0					
Recruitment	4	4	4	1	5	1					
Subscription	2	1	1	0	2	0					
Training	16	4	4	-0	16	0					
Employee Insurance	4,147	1,034	1,014	-20	4,135	-12					
Sub-Total - Employees											
Premises											
Rent	70	18	18	-1	71	1					
Room Hire	6	1	0	0	5	-1					
Business Rates	40	40	37	-3	37	-3					
Cleaning	10	2	2	0	10	0					
Repairs & Maintenance	4	0	0	0	4	0					
Service Charges	17	2	2	0	12	-5					
Secure Storage	17	3	2	-1	10	-7					
Utilities	18	2	2	0	18	0					
Water & Sewerage Services	2	1	1	0	2	0					
Sub-Total - Premises	184	69	63	-6	169	-15					
Transport											
Vehicle Hire	15	3	3	0	15	0					
Vehicle Fuel	8	1	1	-0	8	0					
Tyres	0	0	0	0	0	0					
Road Fund Tax	1	0	0	-0	1	0					
Vehicle Insurance	3	1	1	0	3	0					
Vehicle Maintenance	3	0	0	0	3	0					
Car Lease	0	0	0	0	0	0					
Car Allowances	182	38	41	3	182	-0					
Public Transport	0	0	0	0	0	0					
Sub-Total - Transport	212	43	46	4	212	0					
Supplies and Services											
Furniture & Equipment	46	5	7	1	49	2					
Test Purchases	12	1	0	-0	12	0					
Clothes, uniforms and laundry	5	1	9	8	13	9					
Printing & Photocopying	27	2	2	-0	27	-0					
CRB Checks (taxi)	25	6	6	0	25	0					
Publications	3	0	3	2	5	3					
Postage	12	3	3	0	13	1					
ICT	69	36	36	0	69	-0					
Legal Costs	7	0	0	-0	7	0					
Telephones	41	9	9	-0	42	1					
Training & Seminars	70	30	29	-1	70	0					
Car Parking & Subsistence	0	0	0	0	0	0					
Insurance	30	8	8	1	30	0					
Miscellaneous Expenses	1	0	0	0	1	0					
Third Party Payments											
Support Service Recharges	250	63	63	0	250	0					
Customer Services Hub	50	13	13	0	50	0					
Audit	10	3	3	0	10	0					
Sub-Total - Supplies & Service	658	178	190	12	673	16					
Contractors											
Dog Warden	145	34	34	-0	145	0					

Underspend is due to Vacancies, Secondments, LTS, Maternity Agency staff recruited during transformation / vacancies

Direct Expenditure	Summary - Full year Budget	Summary - Budget 3 Mths June 13	Summary - Expenditure to June 13	Summary - Variance	Summary - Projected outturn	Summary - Projected Outturn Variance	£'000
Pest Control	35	12	20	9	53	18	Income of £17k received from Severn Trent for Sewer Baiting, offset in Income
Analytical Services - Trading Standards	110	28	28	0	110	0	
Trading Standards	0	0	3	3	4	4	
Licensing	22	5	3	-3	22	0	
Other contractors/consultants	14	3	5	1	14	0	
Water Safety	10	1	1	0	10	0	
Food Safety	6	0	0	0	6	0	
Health & Safety	0	0	0	-0	0	0	
Environmental Protection	20	5	12	7	29	9	Bereavement / Works in Default to be charged to relevant partners
Taxi Tests	30	8	8	0	30	0	
Grants / Subscriptions	22	16	20	4	26	4	
Advertising	11	1	1	0	11	0	
Publicity & Promotions	2	0	0	0	2	0	
CRB Checks	0	0	0	0	0	0	
Sub-Total	426	114	135	21	461	36	
Income							
Training Courses / Bereavement / Works in Default / Sewer Baiting etc	0	0	-34	-34	-52	-52	
Sub total	0	0	-34	-34	-52	-52	
Total	5,626	1,437	1,415	-22	5,599	-27	

Percentage saving from original budget £7,181 in 2010-11

22.03%

Grant Funded Spend

	Spend 13-14	Remaining Balance	Funded By
Nutrition For Older People	0	0	16 Primary Care Trust
Health & Well Being	0	0	47 Primary Care Trust
Worcs Works Well	0	0	6 Public Health Dept
Canny Catering	14	0	0 CCG
RIEP			8 Improvement & Efficiency West Midlands
Grant Income Total	-14	-0	
			77

Notes:-

Capital Asset/ Investment description	Budget - 13/14 £'000	Spend - 13/14 £'000	Variance - 13/14 £'000	Revenue System Budget 2014/15 £'000
ICT - Capital				
Software Licences (break down into individual modules if appropriate)	96		-96	
Software	4		-4	
Mobile Working Devices	120		-120	
Hardware required including implementation (e.g. servers onsite or hosted - please describe)	41	2	-39	
Modifications and software customisation	14		-14	
Systems integration and interface development (cost per interface if possible on separate lines)	10		-10	
Data Cleansing / Transfer	218	23	-195	
Sub-Total Capital	503	25	-478	
ICT - Revenue (one off only)				
Project Management / Hosting	86	14	-72	
Training for end users	19		-19	
Sub-Total Revenue	105	14	-91	
Annual Software License etc				
Software Licences	12		-12	12
Other Licences	8		-8	8
Maintenance Costs	59	17	-42	59
Sub-Total Annual software license etc	79	17	-62	79
TOTAL FUNDING REQUIRED	687	56	-631	79
RIEP Funding to be drawn down	22	14	-8	
TOTAL TO BE FUNDED BY PARTNERS	665	42	-623	79

Partner Transformation Project Contributions - Based on Business Case at Budget	Total Contribution 13/14 £'000	Annual Revenue Funding Requirement 2014/15 £'000	Partner Savings %	Partner Contribution %
Bromsgrove	73	9	31	11.05%
Worcs City	74	9	31	11.11%
Worcs County	197	23	83	29.58%
Malvern Hills	64	8	27	9.58%
Redditch	75	9	32	11.31%
Wychavon	110	13	47	16.55%
Wyre Forest	72	9	31	10.82%
Total	665	79	282	100.00%

	£
Budget as per Business Case	1,538
Funded by:-	
Spend 2010/11 - Funded by partners	101
Spend 2011/12 - Funded by RIEP	119
Spend 2012/13 - Funded by Partners	142
Spend 2012/13 - Funded by RIEP	128
Annual Revenue Funding Requirement 15/16	79
Funding Requirement From Partners 13/14	665
RIEP Funding to be drawn down	22
Total Project	1,256
SAVINGS FROM ORIGINAL BUSINESS CASE	282

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Balance remaining as at 1st April 2013 to fund additional severance costs	438,234.20
FUNDING REQUIRED - 2013/14	
REDUNDANCY	18,556.68
PENSION STRAIN	3,046.20
TOTAL	21,602.88
Balance remaining to fund additional severance costs	416,631.32

Partner Redundancy / Pension Strain Contributions - Based on Business Case	Partner Contribution %	Funding Required 13-14	Contribution Remaining to fund additional severance costs
Bromsgrove	11.05%	2,387.12	46,037.76
Worcs City	11.11%	2,400.08	46,287.74
Worcs County	29.58%	6,390.13	123,239.54
Malvern Hills	9.58%	2,069.56	39,913.28
Redditch	11.31%	2,443.29	47,121.00
Wychavon	16.55%	3,575.28	68,952.48
Wyre Forest	10.82%	2,337.43	45,079.51
Total	100.00%	21,602.89	416,631.31

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Joint Committee 26th September 2013

Title: Core Service Matrix For WRS

Recommendation

That Joint Committee approves and adopts the core service matrix as being the reference point for all future discussions on service delivery, and financial planning for 2014/15 onwards.

Contribution to Priorities

The matrix is designed to assist decision making in relation to balancing the need for financial restraint against the risk involved. By adopting the three areas for consideration of risk mentioned below, the WRS Leadership team has sought to test this against key partner corporate priorities.

Introduction & Report

The Core Service Matrix has arisen out of a “zero based budget” style exercise carried out at the request of the Management Board. The matrix represents the minimum resources and budget required to meet current levels of demand and provide a legal and compliant service in all current functional areas.

It was felt that, as well as carrying out such an exercise, there was a need to incorporate a risk assessment to inform partners of the risks associated with not carrying out any particular function (the unmitigated risk). The risk assessment was carried out in 3 areas:

- a) Vulnerable people
- b) Economic Impact
- c) Impact on health and well being

The exercise led to a proposed reduction in budget based on a mix of potential efficiency savings and reductions in areas known to be functions partners wanted to reduce e.g. County Council Animal Health function.

At the Management Board meeting on 17th July, the methodology used to develop the matrix was approved by the Board but it was felt that a robust audit of the risk assessments was required. On 22nd July, a half-day workshop was arranged and, following this, the risk assessment was altered to reflect the views of the Board.

The meeting also asked for 2 additional pieces of work to be carried out around the development of the core matrix:

- a) That a column be inserted into the matrix representing the current mitigated risk,
- b) That an appendix be provided explain how each risk assessment was arrived at.

This work was completed and the amended documents accompany this report.

The Core Matrix represents the minimum resources and budget required to meet existing demand in all functional areas and is intended to be a reference point for all future discussions on possible service cuts.

It provides a risk assessment both mitigated and unmitigated in all functional areas to assist with decision making and provides a split between salary and fixed costs.

The Management Board have already agreed the methodology used to formulate the matrix and so approval by Joint Committee of the completed matrix is sought together with agreement that it be used as a fixed reference for all future decisions on service provision.

Financial Implications

Adoption of the attached matrix plus the new financial allocations model and the assumptions for future financial planning will support the setting of the 2014/15 budget for the service and allow for a solid basis for partners to discuss further potential reductions in budget for 2015/16 and 2016/17 to meet the financial pressures that the majority of partners find themselves subject to.

Sustainability

The matrix is essential in identifying the sustainability or otherwise of the core service. By matching service provision against budget and risk, there is a better chance of ensuring the sustainability of these services going forward.

Contact Points

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Business Managers
01527-548276/ 01527-548314

Background Papers

Matrix Spread Sheet
Appendix1: Explanation of functions

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Draft Matrix for TS and EH Commercial Functions

	% of service	Approx (€000s)	Economy Likelihood	Economy Consequence	Economy Score	Vulnerable Likelihood	Vulnerable Consequence	Vulnerable Score	Health & Wellbeing Likelihood	Health & Wellbeing Consequence	Health & Wellbeing Score	Statutory Duty	Mitigated Risk with service delivery at matrix budget level	Likelihood of Political Support for delivery? (PHML)	Out of hrs requirement	Contractual Obligations	Civil Liabilities	Staffing Costs (€000s)	Staffing Numbers	Non Salary Costs (€000s)	Income (€000s)	Net Cost (€000s)	
Environmental Health Commercial																							
Food Safety Inspections	50.85%	465	4	4	16	4	4	16	4	5	20	YES - section 6(1) of Food Safety Act 1980 shall enforce. NB currently not meeting all of the FSA's CoP requirements. Use CHRS instead.	3.0	HIGH	Limited	None	Yes - Ombudsman	317.55	8.00	147.09		464.64	
Food Safety Service Request	12.71%	116	4	4	16	3	3	9	4	5	20	YES - although no quantity affected. Basic sampling currently undertaken. Use of swabs too for testing funded FSA programme. Use of swabs too for testing cleaning practices	6.0	HIGH	Limited	None	Yes - Ombudsman	70.30	2.00	36.77		116.16	
Food Safety Sampling	3.16%	29	3	4	12	3	4	12	3	4	12	YES - Statutory duty of Local Authority - just about meeting minimum requirement of High risk inspections and dealing with infringements/notifications. Limited proactive project work.	4.0	MEDIUM	Limited	None	Yes - Ombudsman	19.65	0.50	9.19		29.04	
Health & Safety Inspections	17.43%	159	3	3	9	3	4	12	3	5	15	YES - part of above.	3.0	LOW	Limited	None	Yes - Ombudsman	106.36	2.73	50.19		158.56	
H & S Service Requests	6.36%	58	4	4	16	3	4	12	4	5	20	YES - Duty of local authority under Public Health (Control of Disease) Act 1984 Section 1(1)	6.0	HIGH	Limited	None	Yes - Ombudsman	39.69	1.00	18.39		58.08	
Infectious Disease Investigations	9.54%	87	4	5	20	4	5	20	5	5	25		4.0	HIGH	Limited	None	Yes - Ombudsman	50.54	1.50	27.58		87.12	
TOTAL	100.00%	814																					913.00
Health & Wellbeing																							
Health & Wellbeing Project Work	100.00%	157	3	3	9	4	4	16	4	4	16	NO	6.0	MEDIUM	None	Only grant related	None	157.04	3.81	69.96		157.40	
TOTAL	100.00%	157																					157.40
Trading Standards Functions																							
TS Enforcement Visits - covers all activities/inspections. Main focus on Food Safety (Consumer & Business) 2. Food/Agricultural Standards 3. Civil (Consumer Enquiries) 4. Product Safety 5. Weights & Measures	7.69%	64	5	4	20	4	4	16	4	5	20	YES - all main functions are statutory duty e.g. - CRP's Reg 19 Duty to enforce Weights & Measures Act 1985 for all main functions. For all other functions appoint sufficient number of inspectors to efficiently discharge functions.	12.0	HIGH	Limited	None	Yes - Ombudsman	35.78	1.00	27.78		63.56	
All Sampling	7.69%	64	3	4	12	3	3	9	3	5	15	YES - although no quantity stipulated. Generally included as part of inspection visit.	9.0	MEDIUM	Limited	None	Yes - Ombudsman	35.78	1.00	27.78		63.56	
Complaints from consumers and Businesses	69.23%	572	5	4	20	5	4	20	5	4	20	YES - for all key legislative areas	12.0	HIGH	Limited	None	Yes - Ombudsman	322.02	9.00	250.04		572.05	
Miscellaneous Activity - includes intelligence	15.98%	127	3	4	12	3	3	9	3	4	12	YES - For all key legislative areas	6.0	HIGH	Limited	None	Yes - Ombudsman	71.96	2.00	55.58		127.12	
TOTAL	100.00%	826																					826.30
Animal Health & Welfare																							
AP Inspections - includes Market day/con farm visits (SUD) - includes complaints and advice	71.43%	177	5	4	20	3	3	9	5	4	20	YES	6.0	MEDIUM	Yes	None	Yes - Ombudsman	111.98	3.57	65.47		177.05	
Includes complaints and advice	28.57%	71	4	4	16	3	3	9	5	4	20	YES	4.0	HIGH	Limited	None	Yes - Ombudsman	44.63	1.43	26.19		70.92	
TOTAL	100.00%	248																					247.97
Dog Wardens Service																							
Dog Wardens Service	100.00%	328	2	2	4	2	3	6	2	4	8	Yes but daytime only, rest out of hours	4	HIGH	Contracted Out	None	Yes - Ombudsman	94.41	4.00	252.23		327.63	
TOTAL	100.00%	328																					327.63
TS Manufacturer/Importer Support and Enforcement																							
TS HA Inspection, Support & Enforcement	88.89%	61	4	4	16	3	4	12	3	4	12	YES - HRT/RIK inspection, meals and enforcement Compliance Code made under RES Act gives us duty to consider positive support of economic growth in our business, not all key links to enforcement and business support agenda. Regulators Compliance Code will put a mandatory duty on us to consider how to support economic growth and business.	12.0	MEDIUM	None	Primary Authority contracts	Yes - Ombudsman	26.04	7.85	143.92		61.00	
Other	11.11%	10	3	3	9	3	3	9	3	3	9		9.0	MEDIUM	None	None	None	33.01	0.98	47.99		10.00	
TOTAL	100.00%	49																					48.96



Joint Committee 26th September 2013

Title: WRS Future Financial Planning Assumptions

Recommendation

That Joint Committee agree to the adoption of the assumptions outlined in this report as a key supporting mechanism for the development of future financial plans.

Introduction

To assist with the development of the 3 year financial plan a number of assumptions will have to be made in relation to financial planning. These need to be consistent across all partners and need to be agreed to ensure direct comparisons can be made. In order to create certainty we need mutually agreed reference points for the development of longer term financial plans.

It would be the intention that any individual change negotiations following the adoption of recently developed risk matrix and the new financial allocations model would follow the assumptions below and any relevant clauses of the legal agreement.

Report

As outlined in the introduction above, it appears necessary to establish a number of assumptions that will help to clarify discussions and support the development of long term financial planning. To this end, it is proposed that the following form the basis for future discussions of finances:

- a) The cost of licensing is excluded from any calculations towards savings because it is full cost recovery only (as previously agreed by Joint Committee.)
- b) Other functions which are full cost recovery only also be excluded, other than for the purposes of efficiency saving (e.g. IPPC)
- c) All fees/charges must be on a full economic cost recovery basis as a minimum, to generate maximum legitimate surpluses (unless otherwise stated and where there is good reason for this.)
- d) Any income from new sources is used for the benefit of all partners and any surpluses apportioned in

accordance with the prevailing cost sharing arrangement to incentivise income generation across the partnership.

- e) Any required savings requested following the adoption of the risk matrix and the new financial allocations model should be provided by partners on a year by year basis and citing cash amounts per annum NOT percentages.
- f) The model for financial allocations will be reviewed every two years, with a fresh demand assessment being undertaken to establish the veracity of the model going forward.
- g) Where growth in demand/ activity appears to be a financial threat to the service, it should be raised with the Management Board so partners can assess the impact and work with WRS Managers to address the situation.
- h) Where costs are fixed by virtue of contract or similar reason, these will only be included in the savings process at a point in time where they can reasonably be realised,
- i) All potential service reductions are risk assessed on an individual basis.
- j) Where a proposed level of service provision is considered 'such a high risk that it is unsafe' in the professional opinion of senior managers, the Head of WRS will be obliged to write to the relevant Management Board representative and the Chair of the Joint Committee to inform them of this.
- k) It must be accepted that there is likely to be a need for up-front investment to realise savings and the lead-in time for the realisation of cost recovery will increase.

Contact

Mark Kay/ Simon Wilkes
Business Managers
01527-548276/ 01527-548314



JOINT COMMITTEE 26TH September 2013

Review of Apportionment of Costs

Introduction

To report to the Joint Committee the outcome of the cost reallocation for 2013/14 as required within the legal agreement Part II S.8.

Reporting period

The reallocation of costs was initially anticipated to be implemented with effect from 1st April 2013. Following a number of discussions at Management Board, it is proposed that the new allocation be effective from 1st April 2014 to ensure transparency of the new basis together with the revised 2014/15 budget.

Recommendations

The Joint Committee is recommended to :

- 1 Approve the new basis of cost allocation as presented in Appendix 1 & 2
- 2 Request a change to the Statement of Partner Requirements in that the functional activity of "health and well being" will no longer be provided by Regulatory Services with effect from 1st April 2014. This will mean that the functions detailed in Appendix 3 will no longer be undertaken by Regulatory Services. These will have to be presented to the participating partners.
- 3 Approve that the net savings of £157k made from the removal of this activity be refunded back equally to the 7 partner Councils (£22k per Council) with effect from 1st April 2014.
- 4 To approve the base level of 2014/15 budget as detailed in Appendix 1 of £4,979,689 to include the reduction in budget of £646k (subject to the approval at 1,2 &3) . This will enable partner Councils to

identify any additional savings that are required over the period 2014/15 – 2016/17.

- 5 Approve the outcome of the cost allocation and (subject to the agreement of 1&2&3) approve the revised cash allocation for 2014/15 to the partner authorities as follows:

Bromsgrove	£492,193
Malvern	£415,639
Redditch	£581,474
Worcester City	£600,755
Wychavon	£754,516
Wyre Forest	£574,347
Worcestershire County	£1,560,766
	£4,979,689

- 6 Approve that this revised basis of allocation be effective from 1st April 2014.
- 7 Approve the percentage share to be used for allocation of savings, severance, transformation and any other ad hoc costs to be shared on the following percentage basis. To be effective from 1st April 2014. This reflects the demand and data allocation:

Bromsgrove	10.01%
Malvern	8.53%
Redditch	11.76%
Worcester City	12.13%
Wychavon	15.13%
Wyre Forest	11.62%
Worcestershire County	30.82%

- 8 Request Bromsgrove District Council legal department, as host, to make the relevant amendments to the legal agreement on behalf on the participating partners.

Key achievements

As the Joint Committee is aware officers have been working on a revised cost allocation methodology for the last 12 months which has included the consideration of a number of different approaches. The aim of the review was to reallocate the costs associated with the delivery of Regulatory Services functions using a demand led rationale of resources deployed to each partner. The current allocation is based on an arbitrary budget share.

The Legal agreement as approved by all participating Councils stated the requirement for this revised approach to

be in place for April 2013. At the Joint Committee meeting in June officers requested a delay in the final presentation of the review to ensure that an appropriate method of allocation could be identified.

In addition the legal agreement stated that each participating Council should continue to benefit from a saving of at least 15% compared to the 2009/10 budgeted direct revenue costs. This has been taken into account as part of the financial model for the reallocations.

Revised Allocation & Zero Based Budget

The matrix attached at Appendix 1 (summary at Appendix 2) has been agreed by the Management Board as the basis for reallocation of costs. The operational managers have measured demand and data across the functional areas for each partner and revised the costs allocated accordingly.

To ensure that no Authority has an increase in contribution due to the revised resource allocation an adjustment has been made across all Districts to offset any additional cost allocation. This adjustment is shown as “damping costs” in Appendix 2.

It was originally anticipated that the revised shares would be used to reallocate the budget for 2013/14. Following the additional exercise in relation to zero based budgeting for 2014/15 it is recommended that the new percentage allocations are effective from 1st April 2014 to ensure transparency and clarity of the associated charging mechanism.

Zero Based Budget

As part of the exercise to measure demand, officers have also undertaken a zero based budgeting review to ensure that the budgets reflect the true cost of the service for 2014/15. The initial saving realised was £489k. This saving is reasonable considering the value of underspends that the service has delivered over the last 3 years. Members should also note that there will be severance costs resulting from the reduction in establishment to realise the projected savings.

As a result of the allocation of costs on a more measured basis Redditch and Worcester City do not receive a proportion of the savings as their cost share would increase in the new model. To ensure that these Councils do not bear an additional charge, the financial model at Appendix 2 includes an appropriate financial adjustment “share of damping”. This results in the contribution from Redditch and

Worcester City remaining the same as in 2013/14.. This approach has been agreed by all Treasurers.

Health and Wellbeing

Included in Appendix 1 is a net cost of £157k identified as “Health and Wellbeing”. This cost was allocated across all partners and the service is included in the Statement of Partner requirements as part of the original legal agreement as attached at Appendix 3.

Officers at Management Board have discussed the issue of the service provided within Health and Well Being at length and it is evident that much of this work is already undertaken across the County by both District and County funded officers (Health Improvement Coordinators). It is therefore proposed that this service is no longer provided by Regulatory Services as it is apparent that there is sufficient support in place in other services. It is also proposed that the associated net costs of £157k are removed from the budget with effect from 1st April 2014 and each partner Council receive an equal share of the saving (£22k). The total saving for 2014/15 is therefore £646k.

Risks

Joint Committee will have to agree the revised mechanism and the allocation of savings. Officers will need to be clear with all members, particularly those who are not making savings from the zero based budget exercise as to the rationale for this.

Greater clarity will be required in relation to the Health and Wellbeing costs to ensure that Members are aware of any changes in the Districts that may result in reducing these functions.

Contact point

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Matrix 3 - Revised - Health & Well Being split across 7 councils

APPENDIX 2

SUMMARY COSTING SHARE
 BASED ON REDUCTION OF FUNDING REQUIRED FROM £5,626k TO £5,137k less Health & Wellbeing

	Current 2013/14 Budget	Revised Share based on new allocation	Saving on 2013/14 budget based on revised percentages
	£	£	£
Bromsgrove	602,429	504,837	-97,592
Malvern	534,243	429,748	-104,496
Redditch	603,959	614,129	10,169
Worcester City	623,240	657,560	34,319
Wyke	948,188	762,145	-186,043
Wyre Forest	619,838	585,421	-34,417
Worcestershire County	1,694,489	1,583,251	-111,238
TOTAL	5,626,387	5,137,089	-489,298

Districts to fund share of dampening costs	Dampened Contributions	New Partner Percentages	Health & Wellbeing Reduction	Allocation of Budget 2014/15	Saving 2014/15
£	£	£	£	£	£
9,841	514,678	10.01%	-22,486	492,193	-110,237
8,378	438,125	8.53%	-22,486	415,639	-118,604
	603,959	11.76%	-22,486	581,474	-22,486
	623,240	12.13%	-22,486	600,755	-22,486
14,857	777,002	15.13%	-22,486	754,516	-193,672
11,412	596,833	11.62%	-22,486	574,347	-45,490
	1,583,251	30.82%	-22,486	1,560,766	-133,723
44,488	5,137,089	100.00%	-157,401	4,979,689	-646,698

% reduction to reflect reduced budget used for allocation of costs

91.30%

Function: Health & Wellbeing/ Health Promotion

Participating partners

Bromsgrove District Council
Malvern hills District Council
Redditch Borough Council
Worcester City Council
Wyche District Council
Wyre Forest District Council
Worcestershire County Council

Requirements applicable to all participating partners

Activity	Outcomes/ critical success factors	Performance measures/ key performance indicators and targets	Applicable polices, strategies, service standards, statutory codes or guidance
Provision of advice, information and education on food safety	Improve food safety in all settings where people consume food include work, leisure venues and the home.	Reduction in the number of food poisoning cases and outbreaks.	National strategies and campaigns including those promoted by the Food Standards Agency
Provision of advice, information and education on health and safety at work.	Improve management of health and safety in all Local Authority enforced settings. Well attended and positively received safety awareness days.	Reduction in the number of accidents and cases of work related ill-health.	National strategies and campaigns including those promoted by the Health and Safety Executive.
Provision of a wide variety of	Affordable training available to businesses and voluntary	Compliance with CIEH requirements as a training centre.	

Worcestershire Regulatory Shared Service
Statement of partner service requirements

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<p>food hygiene training and awareness courses and events including CIEH level 1 and 2 food hygiene courses and refresher training and/or signposting to training providers.</p>	<p>organisations. Food handlers trained in food safety commensurate with their role. Reduction in food poisoning cases.</p>		
<p>Provision of nutrition training and advice to caterers.</p>	<p>Availability of healthier food options in a variety of settings.</p>	<p>In compliance with national strategies and guidance issued by the Food Standards Agency.</p>	<p>National strategies and guidance issued by the Food Standards Agency.</p>
<p>Healthy Eating project work</p>	<p>Enable consumers to use labelling information to make healthy food choices. Improve public understanding of what is in the food they eat.</p>	<p>NI121 Mortality rate from circulatory diseases at ages under 75 NI 56 Obesity among primary school age children in Year 6 NB: Report activity to Worcestershire Partnership theme group on completion of actions against the Action Plan</p>	<p>Food Standards Agency guidance, Health Challenge England (DOH,) Service plan projects</p>
<p>Provision of a wide variety of certificated health and safety training and awareness</p>	<p>Affordable training available to businesses and voluntary organisations. Employees and managers trained in health and safety commensurate with their role. Reduction in accidents and</p>	<p>Compliance with CIEH requirements as a training centre.</p>	

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courses and events.	cases of work related ill health.		
Membership of the Worcestershire Tobacco Control Alliance.	Contribution to county wide initiatives on tobacco control		
Provision of smoking cessation advice and signposting to smoking cessation support services.	Contribution to county wide LAA targets on reducing tobacco use.		
Promoting awareness of and providing work experience of Environmental health and Trading Standards as professions and career choices.	Awareness of the range of activities and functions of the service and awareness of potential career opportunities within the two professions.		
Participation in national health and safety awareness campaigns such as those relating to asbestos.	Reduction in accidents and incidents of ill health.		

<p>Work within schools to promote healthy eating and food hygiene, including:</p> <ul style="list-style-type: none"> - lunch box advice - hand washing promotion - 5 a day 			
<p>Contribute to the network of LSP's, WCDRP's and LAA theme groups on health & wellbeing, WPEG and Crime & Disorder)</p>	<p>Achievement of LAA and other county-wide targets.</p>	<p>As detailed in LAA, Community Strategy documents etc.</p>	

Additional requirements applicable to Wychavon District Council

Activity	Outcomes/ critical success factors	Performance measures/ key performance indicators and targets	Applicable policies, strategies, service standards, statutory codes or guidance
Consultations	Considered response to national consultations on health and well-being initiatives etc		
Work with pre-	Contribution to county wide LAA		

school children and their families to promote health eating and active lifestyles (WHAT programme)	targets on reducing obesity.		
MEND programme (7-13 year olds). Provision of 'theory lead' input	Contribution to county wide LAA targets on reducing obesity		
Provision of 'Mission Possible' materials and support to KS2 school groups.	Promotion of food safety and healthy eating messages.		In accordance with Mission Possible guidance.

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