

WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL

WORCESTERSHIRE REGULATORY SERVICES

MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE

THURSDAY 21ST NOVEMBER 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 26th September 2013 (Pages 1 - 10)
4. ICT Project Update - Verbal update from the Head of Worcestershire Regulatory Services
5. Worcestershire Regulatory Services Joint Scrutiny Arrangements - Verbal update from the Head of Worcestershire Regulatory Services
6. Future of First Contact arrangements for Worcestershire Regulatory Services (Pages 11 - 16)

7. Worcestershire Regulatory Services Budget Monitoring Report April - Sept 2013 (Pages 17 - 22)
8. Worcestershire Regulatory Services Budget 2014 / 2015 (Pages 23 - 28)
9. Worcestershire Regulatory Services Growth Potential - Strategic Partnership (Pages 29 - 36)
10. Performance and Activity Data - Quarter 1 & Quarter 2 (Pages 37 - 56)
11. Worcestershire Shared Services Joint Committee - Proposed Meeting Dates 2014 / 2015

All meetings to commence at 4.30 p.m.

- Thursday 20th February 2014
- Thursday 26th June 2014 – Annual Meeting
- Thursday 25th September 2014
- Thursday 20th November 2014 – Budget Meeting
- Thursday 19th February 2015

12. 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

13th November 2013

Agenda Item 3

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.

PRESENT: Councillors Mrs. B. Behan, R. Berry, A. N. Blagg, M. A. Bullivant (Vice-Chairman), B. Clayton, R. Davis, Mrs. L. Denham, J. Fisher, P. Harrison, M. Hart, Mrs. L. Hodgson (Chairman), D. Hughes (during Minute No's 15/13 to 21/13), K. Jennings and C. B. Taylor

Invitees: Mr. I. Pumfrey, Head of Community Services, Malvern Hills District Council

Officers: Ms. J. Pickering, Mr. S. Jordan, Ms. C. Flanagan, Mr. M. Kay, Mr. S. Wilkes and Ms. A. Scarce

11/13 APOLOGIES

No apologies for absence were received.

12/13 DECLARATIONS OF INTEREST

No declarations of interest were received.

13/13 MINUTES

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 27th June 2013 were submitted.

RESOLVED that the minutes be approved as a correct record.

14/13 WORCESTERSHIRE REGULATORY SERVICES ANNUAL RETURN 2012 / 2013

The Executive Director, Finance and Corporate Resources informed Members that the Worcestershire Regulatory Services (WRS) Annual Report, which was discussed at the June meeting, had now been audited by Grant Thornton, but unfortunately had only been received today. It was confirmed that this had been agreed and no issues had been raised by Grant Thornton. However, the Executive Director, Finance and Corporate Resources intended to raise her concerns with Grant Thornton in respect of the delay which had occurred in receiving the WRS Annual Report. The Committee also wished its concerns to be noted to ensure that such a delay did not occur in the future.

15/13 **1ST QUARTER PERFORMANCE AND ACTIVITY REPORT**

The Committee considered a report which detailed the Worcestershire Regulatory Services (WRS) Activity Data for Quarter 1. It was noted that, due to data transfer issues the report only covered April and May 2013 of Quarter 1. Members were informed that June was the month during which all data was transferred to the new database and the team developing the IT system were still working on the reports needed to extract data from the system. June's activity would be included within the Quarter 2 activity report, which was due to be received at the Committee's November meeting.

Mr. S. Wilkes, Business Manager, WRS drew Members attention to consumer complaints relating to the Trading Standards function, which had remained at the same level as the previous year. With the common top areas continuing to be second hand cars, home improvements and furniture. In respect of nuisance complaints the report highlighted that there continued to be a strong seasonality to this type of demand.

Members raised and discussed the following areas in more detail:

- The responsibility for organising public burials.
- Comparative data being provided within future reports.
- Clarity on data in respect of the number of hits. Members were informed that "one hit" referred to one incident, which in theory could have a number of complaints against it.

The Head of WRS informed Members that as the new IT system developed over the coming months further detail would be available in respect of outcome measures which would be cascaded down into future reports.

RESOLVED that the Worcestershire Regulatory Services Activity Data Quarter 1 report be noted.

16/13 **REPORT ON ACTIVITY IN RELATION TO FOOD CONTAMINATION FOLLOWING THE HORSE MEAT SCANDAL**

Members considered a report in respect of the activity in relation to food contamination following the horse meat fraud which also provided information on the sampling of products, including food. It was acknowledged that sampling was generally the only means of determining what was in a product and/or whether that product was safe.

The Head of Worcestershire Regulatory Services (WRS) provided Members with details of the work that had been carried out during the recent "horse meat" scandal and informed Members that WRS had been involved in providing evidence to the Government Select Committee which had subsequently been set up. The Head of WRS advised that the majority of products concerned were frozen beef products, 99% of which were unaffected with 1% containing traces of horse DNA (which was in fact a fraud issue, rather than a food safety concern).

Members were provided with detailed information on the following areas:

- WRS working in partnership with Defra and the Food Standards Agency.
- Intelligence led investigations.
- Food labelling.
- The sampling process and minimum requirements (including the number carried out by WRS).
- The food chain (including cutting, preparation and distribution of meat) and preventative work carried out.
- WRS' strategic aims.
- Regulations in respect of game.

Following further discussions it was

RESOLVED that the role of Worcestershire Regulatory Services in preventing and/or detecting food fraud and that the support for minimum levels of market testing through sampling by the service as detailed in the report be noted.

17/13 **WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING REPORT**

Members considered the Worcestershire Regulatory Services Budget Monitoring Report for April to June 2013.

The Executive Director, Finance and Corporate Resources highlighted the projected underspend for the year of £27,000 and provided details of the projected underspend within salaries which was offset by an anticipated overspend on agency staffing. The additional agency costs would impact on 2013/2014 as there had been an increase for the service together with supporting the implementation of the new ICT System. The following areas were discussed by Members in detail:

- The likelihood of any staff redundancies following a restructure of the service.
- The use of agency staff.
- The cost of the ICT Project, together with the length of time taken to put in place.

Members were reminded that WRS had had to deal with more than 20 legacy systems and that data transfer to the new system had been difficult and complex, together with combing this with a more mobile and flexible working system for staff had proven challenging, but the aim had been to build a system which would have long term efficiency benefits.

RESOLVED:

- (a) that the financial position for the period April to June 2013 as detailed in the Worcestershire Regulatory Services Budget Monitoring Report be noted; and

(b) that the drawdown of £21,000 severance costs from partner councils, as detailed in Appendix 3 to the report, be approved.

18/13 **CORE SERVICE MATRIX FOR WORCESTERSHIRE REGULATORY SERVICES**

The Committee considered a report on the Core Service Matrix for Worcestershire Regulatory Services (WRS).

The Head of WRS informed Members that the Matrix was designed to assist decision making in relation to balancing the need for financial restraint against the risk involved and had arisen out of a “zero based budget” style exercise carried out at the request of the Management Board. The Matrix represented the minimum resources and budget required to meet current levels of demand and to provide a legal and compliant service in all current functional areas.

Members discussed the following areas in more detail:

- The net cost per service.
- The calculation of the scores.
- The various licensing functions.
- The relationship between WRS and the Worcestershire Hub.
- The percentage of service in respect of Food Safety Sampling and Health and Safety Inspections.
- The new legislation in respect of scrap metal dealers.

Mr. M. Kay, Business Manager, WRS informed Members that following a recent pilot scheme being carried out at Worcester City, time recording had begun to take place and would be rolled out to all areas in October.

RESOLVED that the Core Service Matrix for Worcestershire Regulatory Services be adopted as the reference point for all future discussions on service delivery and financial planning for 2014/2015 onwards.

19/13 **WORCESTERSHIRE REGULATORY SERVICES FUTURE FINANCIAL PLANNING ASSUMPTIONS**

The Committee considered a report in respect of the Worcestershire Regulatory Services (WRS) Future Financial Planning Assumptions. These assumptions had been made in order to assist with the development of the 3 year financial plan. These needed to be agreed in order for a consistent approach to be taken across all partners. The Head of WRS detailed the assumptions to be used for future discussions:

- a) The cost of licensing was excluded from any calculations towards savings because it was full cost recovery only (as previously agreed by Joint Committee Members).
- b) Other functions which were 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 was good reason for this).
- d) Any income from new sources to be 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.

The following points were clarified:

- It was confirmed that in respect of (e) and (f) as detailed above cash was to be used as this was more easily calculated.
- In respect of (d) this referred to any income generated in respect of such things as food hygiene training courses which were provided by WRS.
- Severance costs may be included within (k) in order to make savings in the future.
- Financial models considered by the Management Board in order to ensure a reference point was reached for partners to receive different levels of service if required.
- The changes which have taken place since the inception of the service and the differing financial demands on each authority and the service level provided.

The Head of WRS confirmed that it continued to look at every opportunity to reduce fixed costs, but an assumption could not be made that this would happen as in some cases, for example, the contract with the office building had some considerable time to run before it expired.

RESOLVED that the Worcestershire Regulatory Services Financial Planning Assumptions be adopted as a key supporting mechanism for the development of future financial plans.

20/13 **REVIEW OF APPORTIONMENT OF WORCESTERSHIRE REGULATORY SERVICES PARTNER COSTS 2013 / 2014**

The Committee considered a report on the Review of Apportionment of Costs.

The Executive Director, Finance and Resources reminded the Committee that officers had been working on a revised cost allocation methodology for the past 12 months which had 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 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 2013, officers had requested a delay in the final presentation of the review to ensure that an appropriate method of allocation was identified.

The budget would be more “activity based” and per capita per establishment using the matrix and in conjunction with the acknowledgement that significant savings needed to be made. To ensure that no authority had an increase in contribution due to the revised resource allocation an adjustment had been made across all Districts to offset any additional cost allocation, which was shown as “dampening costs”. Members discussed the following areas in more detail:

- The methodology used, including the “dampening costs” and any future savings (including a per capita approach).
- The percentage of savings made and the need to reach a fair and equitable solution for all 7 authorities.
- The need by each authority to make savings and the acceptance that it was not possible to have a service where “one size” fitted the needs of all partners.

The Executive Director, Finance and Resources provided detailed information in respect of the £157,000 identified as “Health and Well Being”. Officers had discussed this at Management Board and it had been evident that much of the work undertaken was already covered across the County by both District and County funded officers. It had therefore been proposed that this service was no longer provided by Worcestershire Regulatory Services and that each partner should receive an equal share of the saving this produced. The Committee discussed in detail the work that was covered by Health and Well Being in order to ensure that it was satisfied that the work would continue to be covered by each partner. The Head of WRS confirmed that where separate funding was provided, WRS would continue to support specific projects.

RESOLVED:

- a) that the new basis of cost allocation as presented in Appendix 1 & 2 to the report be approved;

- b) that within the Statement of Partner Requirements the functional activity of “Health and Well Being” no longer be provided by Worcestershire Regulatory Services with effect from 1st April 2014 be approved. This will mean that the functions, as detailed in Appendix 3 to the report, will no longer be undertaken by Worcestershire Regulatory Services. These will have to be presented to the participating partners;
- c) that the net savings of £157, 000 made from the removal of the above activity be refunded back equally to the 7 partner Councils (£22,000 per Council) with effect from 1st April 2014 be approved;
- d) that the base level of 2014/2015 budget, as detailed in Appendix 1 to the report, of £4,979,689 to include the reduction in budget of £646,000 in order for partner Councils to identify any additional savings that are required over the period 2014/2015 – 2016/2017 be approved;
- e) that the outcome of the cost allocation and the revised cash allocation for 2014/2015 to the partner authorities as detailed below, be approved:

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

- f) that the revised basis of allocation be effective from 1st April 2014;
- g) that 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 be approved and 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%

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

21/13 **ANY OTHER BUSINESS**

The Chairman announced that a matter had been brought to her attention which she considered to be of so urgent a nature that it could not wait until the next meeting.

The Committee were informed that a letter had been received, immediately prior to the meeting, from Councillor P. Swinburn, Chairman, Worcestershire Hub Shared Service (WHSS) Management Board in respect of funding for work WHSS undertook on behalf of Worcestershire Regulatory Services and the withdrawal of these services at the end of October 2013, due to the number of customer service advisors that was now required to provide these services.

The Head of WRS provided the Committee with background information and assured Members that WRS was committed to finding a way forward in order to resolve this matter. Discussions had been on-going in recent months and delays had occurred in demand data being received by WRS from Worcestershire Hub in order to clarify the request for financial support to provide further staff. The Head of WRS confirmed to Members that he was disappointed with the letter received from the Worcestershire Hub Shared Service Board as he understood that negotiations were still on-going in order to resolve this matter.

Mr. I. Pumfrey, Head of Community Services, Malvern Hills District Council, informed Members that as a Member of both Management Boards he had been aware of the situation and understood that the letter was a reflection on the Board's frustrations as the matter was now causing some disruptions to the Hub partners and putting staff under significant pressure. By highlighting this to the Committee it hoped that a swift conclusion could be reached.

Councillor L. Denham informed Members that she was a Member of the Worcestershire Hub Shared Service Board and had been present at the meeting when the letter had been discussed. The Principal Solicitor, Bromsgrove District and Redditch Boroughs Councils advised Councillor L. Denham that she may have a conflict of interest and that it was not appropriate for her to comment further on the matter.

Members were disappointed that this matter had not been brought to their attention at an earlier stage of the negotiations and that the timescale given did not give them sufficient time to investigate the situation and provide a suitable response. The Committee also discussed the options for alternative delivery and the Head of WRS confirmed that a number of options were being considered in light of the on-going negotiations.

After further discussion it was

RESOLVED that the Head of Worcestershire Regulatory Services would respond to the letter on behalf of the Chairman and the Committee would receive an update report at the next meeting of the Joint Committee to be held on 21st November 2013.

The meeting closed at 6.28 p.m.

Chairman

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JOINT COMMITTEE 21st November 2013

Future of first contact arrangements for Worcestershire Regulatory Services

Recommendation	That members note the report
Contribution to Priorities	NA
Introduction	<p>This report should help members to understand some of the background to the letter received by the Chair of this Committee from the Chair of the Worcestershire Hub Shared Services Committee ahead of the September meeting. Since its inception WRS has used the Worcestershire Hub Shared Service (WHSS) as its first contact point for client contacts. In recent times, it appears that WRS contacts into WHSS have increased dramatically, necessitating a review of the amount WRS contributes to support first contacts. This has led to giving consideration to alternatives to using the WHSS, including bringing the first contact work within WRS itself. At Management Board on 30th October, a number of options were discussed and WRS Management Team was asked to work with the Hub to cost up options for taking the service in-house, to compare with the figures provided by the Hub. A further report will be submitted to December's Management Board. The Joint Committee will be updated on the outcome of this at their next meeting. In the interim, WRS, in consultation with the Management Board, has agreed to fund an additional two FTE posts at the Hub to deal with existing demand until March 2014. The cost of this is approximately £26000.</p>
Report	<p>On the 17th July 2013, a report was submitted to the WRS Management Board (WRSMB) regarding the customer demand received by the Worcestershire Hub Shared Service (WHSS) when administering enquiries on WRS's behalf. This report was instigated for two reasons:</p> <ul style="list-style-type: none">• The immediate budget pressure that the WHSS had in meeting a £50k funding gap which occurred from the initial agreement to recruit 4 FTE for the service, whilst only 2 FTE had been earmarked

for funding via the original Business Case agreed by partners;

- Customer demand for a range of WRS related enquiries had apparently increased significantly since the service was initially migrated which appeared to be having a direct impact on the overall performance of the WHSS's Customer Contact Centre. The demand levels appeared to be regularly exceeding the need for 4 FTE at any one time.

A number of options were then presented to Management Board in order to respond to the immediate issues. These were:

- That WRS fund the number of FTE in accordance to a performance level that is appropriate to the service;
- That WRS fund the number of FTE in accordance to a performance level that is appropriate to the service and that this level of FTE is reviewed in line with a development programme to increase self service contacts;
- That WRS incorporate the call handling model into their service.

Before a decision around options was made, the WRSMB asked for some further clarification around the data presented to ensure that it was an accurate reflection of total and genuine demand for the service. Work was undertaken so that a point was reached whereby both parties agreed to the data. This was presented at the WRSMB meeting on 30th October. The data is outlined in the following section.

During August and September 2013, WHSS staff taking WRS calls were asked to record them following a specified protocol. The table below outlines call attempts made during this two-month period;

	Total number of calls offered to 01905 822799	Total number of offered calls that were answered	Average call handle time
Aug-13	4681	3129	00:06:03
Sep-13	4445	2782	00:05:37

Hub staff had been asked to divide their call up into particular types for recording purposes, as outlined in the table below:

	WRS Duty Officer - Advice	WRS - Licensing	WRS - logged on Uniform	Non WRS	WRS - CACS referral	Total enquires
Aug-13	1063	591	784	345	140	2923
Sep-13	922	656	741	306	142	2767

Please note: There is a slight discrepancy between the calls answered (in comparison the table on figure 1) and the number of enquires recorded. This is due to the implementation of this exercise and Duty Officers becoming familiar with the new requirements. 206 enquires were not logged in August



and only 15 not being logged in September.

Based on normal call centre working practice formulas, the level of demand identified requires between 5 and 7 operatives to deliver a reasonable level of service. The following table outlines the service standards likely to be achievable:

No of agents	Service level that would be met
7	75-80%
6	40-60%
5	30%
< 5	0-15%

This is based on a service being offered Monday to Friday between 9am and 5pm.

Three options were outlined to WRSMB, the detail of which is included as Appendix 1 to this report. These matched the earlier proposals by the WHSS for WRS to either:

- Fully fund the required number of FTE staff within WHSS, to match existing service standards,
- Agree to fund a lesser number of staff and agree a lower service standard with WHSS for delivery
- Consider taking the service in-house.

Details of some of the impacts of these proposals are included in the tables in Appendix 1, along with a brief mention of potential risk. Partners would need to provide an additional £63-108000 funding to allow for the continued support of 5-7 FTE from the WHSS.

After some discussion at WRSMB, it was agreed that Option 3, to take the service in-house, was a realistic option that could be considered, although the risks would be placed on WRS to ensure the service is delivered to an acceptable standard. There were a number of aspects, including the telephony infrastructure that needed further consideration. The Host authority had given assurances that their Shore-tel system was robust enough to cope with the increasing volume. However, there was a question over the portability of the 01905 number that has been broadcast for three years onto a Bromsgrove / Redditch (01527,) exchange based system.

Also, significant implications in relation to TUPE transfer were highlighted as part of such a move. These needed to be explored more by the Host HR team and the WHSS management team as to eligibility criteria for staff. This would delay the implementation until the post Christmas period, possibly the beginning of February, and possibly until the 1st April 2014, to allow for relevant consultation periods.

WRS Managers consider that option 3 would meet their strategic direction of travel but, they would have to seek funding support from partners to make this happen. It would also need to happen in

parallel with the channel shift program so that, over time, the telephony commitment could be reduced, allowing partner contributions to first contact costs to be cut. WRS Managers also took the view that the in-house service would probably be staffed at the lower suggested level on the basis that direct support could be provided via professional staff from within WRS operating on a rota basis to directly support the first contact call handlers. This would also, over time, increase the proportion of call that could be dealt with at first point of contact, improving the customer experience and overall satisfaction.

The outcome at WRSMB was that WRS Managers were tasked to work with the Host's HR team to explore the option of in-house delivery and to report back to WRSMB on 11th December on a preferred way forward, including costs and risk. The Management Board representative from Wychavon offered a benchmark figure of £125000 per annum, which the Orchard Partnership call centre, currently delivering on behalf of the South Worcestershire districts for Revenues and Benefits had suggested as reasonable.

Financial Implications

The original WRS Business case only included £50,000 per annum for the support of the service from WHSS. This now appears to be untenable. There is likely to be a requirement for further funding to support first contact for the service. These costs vary from an additional £63000 to £108000 for staying with WHSS. The cost of bringing the service in-house is yet to be estimated. A total cost figure of £125000 per annum was offered by the Management Board representative from Wychavon as a benchmark on which to judge the cost of in-house provision.

Sustainability

Many services are considering "digital first" as their direction of travel, with end to end self service as the aim for service delivery. Whilst there are some aspects of WRS work, for example some licensing activity, which are wholly transactional, the majority of WRS activity will need some form of intervention by officers. WRS is commissioning a piece of work on channel shift to look at how far it may be possible to drive customers into more cost effective channels of operation. This may allow us to introduce broad forms of self help, but it is difficult to see how much of the work could be done without contact with and intervention from professional officers.

Contact Points

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Head of WRS
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Background Papers

Appendix 1: Tables from WHSS Management Board Report



Appendix 1: Full details of options proposed to WRS Management Board for consideration

Option 1 was for WRS to fund 7 FTE to take calls at the WHSS.

Option 1 – Retain the current delivery model through the WHSS and fund 7 FTE. This will attain a service level in line with other services provided for by the WHSS. Costs associated with providing a Team Leader to oversee call facilitation on behalf of WRS services has not been factored into this figure. However, it is acknowledged that in accordance with seasonal peaks and troughs 7 FTE are not required all of the time. Therefore, the cost of providing this level of resource would also contribute to the Team Leader post.

Cost: £158,200 Based on current year cost of a Customer Service Advisor with on costs (£22,600)

Advantages:

- Ability to draw on the scale of the Contact Centre operation where customer contacts can be spread against a number of full time equivalents;
- WHSS call manager technology enables adjustments to staffing in real time. Also provides adequate information to support resource planning;
- Accessibility to a Central Team containing Business Analyst, Relationship Manager who assess all aspects of the WRS delivery model and provide visibility to WRS Management Team;
- Staff have other service knowledge that may be beneficial for the customer if the need is established.

Risks:

- WRS calls are answered by generic staff who have other calls blended into their skill set which could impact on performance during peak times;
- Resolution at first point of contact could be higher if call handling was administered by specialist staff (however, call handling time could be longer and may require additional resource);
- Due to the diversity of the Contact Centre operation, productivity levels have to be factored in when calculating FTE against demand which also impacts on the cost to deliver the service.
- WRS Partners would have to provide significant additional funding to the Hub Shared Service at a time of severe budgetary pressures.

Option 2 (below,) was to retain use of the WHSS but at a lower service standard and employing fewer call takers. Costs are included in the relevant table. Option 3 (also below,) offered the option of taking the service in-house.

<p>Option 2 – Retain the current delivery model through the WHSS and fund the number the FTE in accordance with the service level required for WRS.</p> <p>Reference should be made to figure 4 considering the appropriate service level for WRS enquiries.</p>	
<p>Cost: It is acknowledged by WRS that demand requires at least 5 FTE so costs are given against the service level that anything less than 7 FTE would cost:</p> <ul style="list-style-type: none"> • 6 FTE providing a service level between 40-60% - £135,600; • 5 FTE providing a service level between 30-40% - £113,000. 	
<p>Advantages</p> <ul style="list-style-type: none"> • The additional cost to WRS Partners is reduced 	<p>Risks</p> <ul style="list-style-type: none"> • The service level for all other WHSS facilitated services is 75% so this option would continue to impact on the overall performance of the Contact Centre; • Customer Satisfaction is effected due to the length of time needed to answer calls; • Impact on public perception of the WRS and WHSS services; • Anything less than 7 FTE does not build any resilience into the WRS service during peak times or during unplanned events.
<p>Option 3 – Transfer the call handling model back into the service.</p> <p>This would require a full consultation exercise and the TUPE transfer of staff who currently provide this service on behalf of WRS.</p>	
<p>Cost: Dependant on the number of FTE subject to TUPE transfer as well as the cost to implement the technical requirements and any further staffing required.</p>	
<p>Advantages</p> <ul style="list-style-type: none"> • Potentially greater resolution at first point of contact as agents become more specialist; • Greater visibility and understanding of nature of calls by WRS to aid future development to services. 	<p>Risks</p> <ul style="list-style-type: none"> • The volumes associated with WRS calls require a managed call handling system so consideration needs to be given to this as well as the cost to implement; • Costs to provide the service in house are potentially the same as the current arrangement if it is acknowledged that the standard of service requires the right level of FTE; • TUPE transfer may determine that more staff than the allocated FTE move to WRS if they spend greater proportions of their time on WRS calls.

Worcestershire Regulatory Services

Supporting and protecting you

Joint Committee 21st November 2013

WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING APRIL – SEPTEMBER 2013

Recommendation

It is recommended that the Joint Committee:

- 1.1 Consider and note the financial position for the period April – September 2013

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 – September 2013.

Background

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

Report

Revenue Monitoring

The detailed revenue report is attached at Appendix 1. It is not anticipated that there will be a variance on the budget for this financial year.

There are significant underspends across the service due to staff vacancies, long term sick and maternity levels which will generate savings of around £426k in 2013/14. However, this is offset by an anticipated overspend on agency staffing of £438k due to additional costs impacting on 2013/14 as there has been an increase for the service together with supporting the implementation of the new ICT system. This will only be a cost in this financial year and will not impact on future years savings realisation.

A report has recently been considered by Management

Board in relation to the number of calls and enquiries on behalf of WRS. It is evident that a significantly higher number are being answered than previously anticipated. Therefore it has been agreed that further funding for two I staff from 1st November 2013 to 31st March 2013 be made available from WRS to assist with these additional costs.

Capital / New systems

Appendix 2 details the anticipated expenditure for the one off costs associated with the implementation of the project. As previously reported there is a saving of £282k from the costs originally included in the business case.

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

In addition to the one off 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.

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 6 Mths Sept 13	Summary - Expenditure to Sept 13	Summary - Variance	Summary - Projected outturn	Summary - Projected Outturn	Variance	£'000	£'000	£'000	£'000	£'000
Direct Expenditure												
Employees	4,125	2,063	1,832	-231	3,699	-426						
Salary	0	0	173	173	438	438						
Agency Staff	0	0	173	173	438	438						
Recruitment	0	0	0	0	0	0						
Subscription	4	2	4	3	4	0						
Training	2	1	1	0	2	0						
Employee Insurance	16	8	9	1	16	0						
Sub-Total - Employees	4,147	2,074	2,019	-54	4,159	12						
Premises												
Rent	70	35	35	0	71	1						
Room Hire	6	3	0	-3	1	-5						
Business Rates	40	40	37	-3	37	-3						
Cleaning	10	4	4	0	10	0						
Repairs & Maintenance / Security	8	2	2	-0	8	0						
Service Charges	17	9	6	-2	12	-5						
Secure Storage	17	6	5	-1	10	-7						
Utilities	18	6	5	-0	18	0						
Water & Sewerage Services	2	1	1	0	2	0						
Sub-Total - Premises	188	105	96	-9	168	-20						
Transport												
Vehicle Hire	15	7	6	-1	14	-2						
Vehicle Fuel	8	3	3	0	8	0						
Road Fund Tax	1	0	1	1	1	0						
Vehicle Insurance	3	2	2	1	3	0						
Vehicle Maintenance	3	1	1	0	3	0						
Car Allowances	182	91	72	-19	173	-9						
Public Transport	0	0	0	0	0	0						
Sub-Total - Transport	212	103	84	-18	202	-11						
Supplies and Services												
Furniture & Equipment	46	13	15	2	49	3						
Test Purchases	12	3	1	-2	9	-3						
Clothes, uniforms and laundry	5	1	10	8	13	8						
Printing & Photocopying	27	8	5	-3	23	-4						
CRB Checks (taxi)	25	13	14	2	25	0						
Publications	3	1	3	3	6	3						
Postage	12	6	7	1	13	1						
ICT	69	35	62	27	76	7						
Legal Costs	7	0	0	-0	7	0						
Telephones	41	17	16	-1	41	-1						
Training & Seminars	70	35	50	15	72	2						
Car Parking & Subsistence	0	0	0	0	0	0						
Insurance	30	15	16	1	30	0						
Miscellaneous Expenses	1	0	1	1	2	1						
Third Party Payments												
Support Service Recharges	250	125	125	0	250	0						
Customer Services Hub	50	25	25	0	76	26						
Audit	10	5	5	0	10	0						
Sub-Total - Supplies & Service	658	302	354	52	701	44						

Underspend is due to Vacancies, Secondments, LTS, Maternity Agency staff recruited during transformation / vacancies - Difficulty in recruiting to level required

	Summary - Full year Budget	Summary - Budget 6 Mths Sept 13	Summary - Expenditure to Sept 13	Summary - Variance	Summary - Projected outturn	Summary - Projected Outturn Variance	£'000	£'000	£'000	£'000	£'000
Direct Expenditure											
Contractors											
Dog Warden	145	72	71	-0	145	0	0	145	0	18	
Pest Control	35	18	32	15	53	18	18	53	18		
Analytical Services - Trading Standards	110	55	55	0	111	1	1	111	1		
Trading Standards	0	0	6	6	7	7	7	7	7		
Licensing	22	4	4	-0	21	-1	-1	21	-1		
Other contractors/consultants	10	5	6	1	12	2	2	12	2		
Water Safety	10	3	2	-0	10	0	0	10	0		
Food Safety	6	1	0	-1	5	-1	-1	5	-1		
Environmental Protection	20	10	21	11	33	13	13	33	13		
Taxi Tests	30	15	14	-1	30	0	0	30	0		
Grants / Subscriptions	22	11	19	8	25	3	3	25	3		
Advertising	11	1	1	0	10	-0	-0	10	-0		
Publicity & Promotions	2	1	0	-0	2	0	0	2	0		
CRB Checks	0	0	0	0	0	0	0	0	0		
Sub-Total	422	194	232	38	463	41					
Income											
Training Courses /	0	0	-31	-31	-67	-67					
Bereavement / Works in											
Default / Sewer Baiting etc											
Sub Total	0	0	-31	-31	-67	-67					
Total	5,626	2,777	2,754	-23	5,626	-0					

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

21.66%

Grant Funded Spend	Spend 13-14	Remaining Balance	Funded By
Nutrition For Older People	0	0	16 Primary Care Trust Unconditional
Health & Well Being	0	0	47 Primary Care Trust Conditional
Worcs Works Well	0	0	6 Public Health Dept Unconditional
Canny Catering	7	7	0 CCG Unconditional
RIEP	22	22	0 Improvement & Efficiency West Midlands Conditional
Grant Income	0	0	
Total	29	69	

Notes:-

Income of £17k received from Severn Trent for Sewer Baiting, offset in Income

Bereavement / Works in Default to be charged to relevant partners

Capital Asset/ Investment description	Budget - 13/14 £'000	Spend - 13/14 £'000	Variance - 13/14 £'000	Revenue System Budget 2014/15
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	30	-188	
Sub-Total Capital	503	32	-471	
ICT - Revenue (one off only)				
Project Management / Hosting	86	22	-64	
Training for end users	19		-19	
Sub-Total Revenue	105	22	-83	
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	72	-615	79
RIEP Funding to be drawn down	22	22	0	
TOTAL TO BE FUNDED BY PARTNERS	665	50	-615	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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Joint Committee 21st November 2013

WORCESTERSHIRE REGULATORY SERVICES BUDGET 2014/15

Recommendation

It is recommended that the Joint Committee:

- 1.1 Approve the Revenue Budget allocations for 2014/15 for the District Councils of;

Bromsgrove	£492,193
Malvern	£415,639
Redditch	£581,474
Worcester City	£600,755
Wychavon	£754,516
Wyre Forest	£574,347
	£3,418,924

- 1.2 and note that the Worcestershire County Council budget of £1,560,766 is subject to variation following discussions in relation to the proposed reduction for 2014/15.

Contribution to Priorities

The production of a robust budget position enables partners and the service to manage the financial position of the organisation.

Introduction/Summary

This report presents the revenue budget for 2014/15 in relation to Worcestershire Regulatory Services

Background

Members are aware that the proposed budget for 2014/15 has been discussed at the last meeting of the Joint Committee. This report presents the budget over the subjective areas of expenditure and proposes an approach to consider future savings plans from the County Council.

Report

Revenue Budget 2014/15

At the meeting of the Joint Committee in September 2013 a report was presented that detailed the revised cost allocation for the participating Councils. 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.

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.

Further to the zero based budget exercise, officers reviewed the costs associated with the Health and Well Being service as these services are duplicated across the County. It was therefore agreed that a recommendation would be presented to participating Councils to enable the reduction of a further £157k from the WRS budget. The total saving for 2014/15 is therefore £646k.

As members are aware the County Council have recently presented a number of reductions to their budget over the next 3 years. Included within the proposals is a significant reduction to the Regulatory Services (mainly Trading Standards) funding of £1.5m. This cut has not been factored into the current budget position. Due to the a number of issues that this raises for WRS the Management Board has requested that a small working group comprising of Financial and Operational officers be tasked to examine the budget requirements and the financial costs associated with the delivery of such savings.

The budget presented at Appendix 1 is the position excluding any reduction from any Council. It is proposed that this is used as the basis for discussion with the County with the aim to plan the required savings level for 2014/15. Therefore there may be a variation to this budget, as a result of these discussions and it will then be necessary to hold a special Joint Committee in December to approve the revised 2014/15 budget.

The allocation of the 2014/15 Budget across the participating Councils is also included in Appendix 1. The partnership agreement that was agreed when WRS was set up protects the Districts from any financial consequence of the County

Council changes. Therefore the allocation at Appendix 1 shows the final Budget for the 6 District Councils to include the savings reported above.

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

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2014/15 REGULATORY SERVICES BUDGET SUMMARY

Description	(£)
Employee Costs	3,537,951
Other Staff Costs	2,000
Premises	186,200
Transport	195,294
Supplies & Services	352,578
Third Party	34,451
Contractors	361,215
Host Recharge	250,000
Hub Recharge	50,000
Audit	10,000
Total Budget 2014-15	<u><u>4,979,689</u></u>

ALLOCATION TO PARTICIPATING COUNCILS

	£	
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	** Subject to Variation
Total Budget 2014-15	<u><u>4,979,689</u></u>	

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Joint Committee: 21 November 2013

Title: Worcestershire Regulatory Services Growth Potential – Strategic Partnership

Recommendation

The Joint Committee is recommended to:

1. Note the further work undertaken to develop the growth potential of Worcestershire Regulatory Services
2. Approve commencement of a procurement process to test the market for interest from commercial organisations in developing a strategic partnership for delivery of regulatory services.
3. Request partner councils to identify, by 1st March 2014, additional regulatory functions to include within the scope of procurement of a strategic partnership

Contribution to Priorities

A strategic partnership will provide a means of reducing the net cost of WRS to partner councils whilst securing the capacity and resilience of WRS in an uncertain future climate. This will in turn directly support delivery of current WRS priorities.

Introduction / Summary

This report provides an update on progress in realising WRS growth potential as means of delivering net operating cost reductions to partners. It sets out proposals for a strategic partnership with a commercial organisation.

Background

In September 2012 this Committee considered a report on potential growth opportunities for WRS which would reduce the net cost of WRS to partner councils, maintain the capacity of the shared service and provide financial benefits to the partners as an alternative to continued cost reductions resulting from government austerity. It was resolved that WRS continue to explore opportunities to grow the business

Report

by taking on other partners or being contracted to deliver similar services for others.

Over the last year considerable work has been undertaken to pursue a number of opportunities to carry out work for other councils. This has focused mainly on neighbouring county and District councils. Despite some modest value packages of work of a specialist nature being secured, it has not been possible to conclude an agreement for substantial work with another authority that will materially reduce the partners' net operating costs of WRS. One of the issues that has arisen is the basis on which work would be undertaken for. Some have expressed a preference in becoming partners in WRS whilst the view of Worcestershire Chief Executives has been very clear that any agreement should be contractual, preserving the benefits to existing partners. In part progress has also been limited by constraints of WRS managerial capacity which does not include commercial sales/ marketing skills.

During this period a number of commercial organisations have become aware of WRS interest in expanding its activities and work for other councils. This interest has led to initial discussions with a number of national companies to understand what opportunities they perceive from working with WRS. The common approach emerging from this is the commercial organisation developing a strategic partnership with WRS from which all partners would gain benefit.

Management Board has reviewed the progress to date and concluded that pursuit of a strategic partnership presents a better solution to realising WRS growth potential than trying to enter into other arrangements directly with other councils. Management Board believes a strategic partnership can deliver the following outcomes which will benefit all Worcestershire councils:

- a) Maintenance of technical expertise and capacity of WRS
- b) Retention and growth of regulatory services jobs within Worcestershire
- c) Maintenance of local, democratically determined regulatory services standards and service levels to Worcestershire residents and businesses
- d) Reduction in net cost of delivering regulatory services to Worcestershire councils.
- e) Financial benefit to Worcestershire councils from commercial development and exploitation of WRS capacity including potential initial investment linked to future cost reductions
- f) Contribution to growth in the Worcestershire economy

Management Board believes that those WRS strengths that a partner can lever commercially for mutual financial benefit are:

- a) WRS technical expertise
- b) WRS technical and administrative capacity
- c) WRS business processes and technical infrastructure
- d) Central England location
- e) Available on-site grow on space
- f) Potential client network/ sales pipeline
- g) Reputation for innovation
- h) A long term partnership arrangement, circa 15 years

We need a commercial partner to bring skills and capacity to the partnership to exploit these WRS strengths that the WRS partners either do not have or cannot direct. The essential requirements of a commercial partner are:

- a) Understanding of and established commercial links with the UK public sector market place
- b) Proven track record of developing new products and services within the UK public sector market place
- c) Experience of translating public sector skills and products to commercial offerings through partnering
- d) Up-scaling products and service into growing markets
- e) Integration of products and services with customer business processes and ICT systems
- f) Financial capacity to invest in product development and marketing
- g) Willingness to bear risk for financial gain

WRS does not possess detailed UK public sector market intelligence on present and future demand for regulatory services. Discussions with peer contacts and private sector organisations operating in the UK public sector marketplace indicate that many UK public sector organisations face the same challenges as WRS partners:

- a) Reducing funding driving the need for greater efficiencies
- b) Rising demand and customer expectations
- c) Difficulty in recruiting/ retaining staff, especially experienced specialist staff
- d) Increased pressure to develop shared services/partnership working
- e) Political obstacles to successful and timely joint working/ shared services development and implementation

WRS was created to address many of the above challenges and therefore the UK public sector provides the most immediate and obvious potential market for a WRS strategic partnership offer. Within the UK public sector the local

authority regulatory services market currently in scope for WRS is most immediately accessible and provides a platform from which to develop related regulatory products and services to other sectors. This can be readily done leveraging the technical infrastructure and business expertise developed by WRS and its partner to other services within the local authority family and public sector organisations such as police, fire and health.

Initial discussions with the private sector indicate that volume transaction processing activities like licensing and registration can be taken to market relatively quickly. This can then be built on incrementally to other services which do not depend upon physical presence for delivery such as providing technical advice. This would create early income generation enabling development of the infrastructure necessary to deliver more complex products and services including those which require “boots on the ground” and are presently out of scope for WRS such as building control and private sector housing.

WRS partners will benefit from a strategic partnership in three ways – financial, resilience and reputation.

Financial benefits will accrue from the introduction of commercially driven efficiencies and displacement of WRS support, management, infrastructure and overhead costs from the partners to customers secured through the partnership. Partners will receive a share of surpluses (profits) from provision of partnership services to external customers. It is also likely that a commercial partner will provide up-front investment as part of the return for a suitable contract period.

Creation of WRS enabled substantial efficiencies to be gained without a commensurate reduction in resilience. By retaining capacity but selling it outside the WRS partners key skills and critical mass will be maintained that would otherwise inevitably be eroded by driving down further the WRS establishment. Further development of WRS capacity over time will increase overall resilience.

Innovative delivery that maintains the quality of services to local communities whilst reducing net cost will enhance the reputation of the partner councils at a time when publicity over cuts to public services is having a generally negative effect.

Financial Implications

The financial benefits from a strategic partnership are difficult to quantify because of the very limited market intelligence available to WRS and the lack of any

comparable business model operating elsewhere. From the initial discussions with a number of companies several have indicated scope for investment in WRS, reductions in costs of regulatory services to partners and potential sharing of profits. Further soft market testing needs to be undertaken to improve this understanding which will ultimately then be tested in a formal procurement.

Recent strategic partnership procurement in South Worcestershire for Revenues and Benefits has delivered revenue cost savings of around 15% from day one. On top of this there is potential for profit sharing from work undertaken for other councils. This is not a direct comparator as the nature of the work involves more volume transaction processing than would be the case for WRS.

There will be costs involved in procuring a strategic partnership. These relate to specialist legal advice and project management and are estimated in the region of £20k. These costs will be contained within the balance of funding available from WRS set up and ICT costs. There would also be significant staff resources required from the host authority

Legal Implications

Extensive specialist legal advice has been sought on both the forms of strategic partnership and procurement of a strategic partner. It is clear that a strategic partnership will have to be based on a contractual arrangement between the WRS partner councils and commercial organisation involved. This has implications for the current joint committee model which relies on the Hamburg and Teckl judgements of the European Court (currently being codified into EU law) that permits public authorities to set up joint arrangements between themselves as a means of delivering their functions. The present partnership agreement would thus be superseded by a joint contract with a commercial organisation.

The value of such as contract will require it to be procured by competitive dialogue under EU procurement rules. This process is likely to take around 9 months from formal advertising of our requirements. Management Board therefore advises that this procurement process begins at the earliest opportunity.

An OJEU procurement will be required using the competitive dialogue process. This will lead to a contract between WRS partner councils and the chosen commercial organisation.

Legal arrangements will be necessary to delegate authority

Risk

to the strategic partnership.

There are a number of significant risks associated with the proposals set out in this report.

Though a new financial framework for WRS was agreed by the Joint Committee at its September meeting, a number of partners have identified the need for additional reductions in their contributions from 2014/15 onwards. The most significant of these is Worcestershire County Council which currently funds around 30% of WRS net operating costs.

Work is underway to agree how the County's aspirations for cost reductions can be achieved but the outcome of this is presently far from clear. It is however likely that implementation of current proposed savings would severely diminish WRS trading standards capacity. The uncertainty and impact of this would almost certainly affect the attractiveness of WRS as a strategic partner to commercial organisations. It is Management Board's view that this uncertainty and that attaching to meeting financial requirements of other partners needs to be clarified or resolved before formal procurement commences.

As noted above, whilst initial discussions with some private companies have indicated the potential for financial benefit from strategic partnership the nature and extent of this is at present far from clear. Procurement is a costly exercise not just for the procuring authority but also for bidders. If the outcomes of procurement are not sufficiently clear to bidders there is a risk they will not participate to avoid incurring abortive costs. This would also be an issue if the procurement failed to identify sufficient benefits making it worthwhile all 7 councils entering into a strategic partnership. This has potential for reputational damage to all councils concerned.

Management Board recognises these risks but considers that this work must progress alongside negotiations around future partner funding of WRS if it is to provide any alternative solution to simple cuts in contributions. Adoption of a structured project management approach will balance these risks and ensure that the project is halted if the likelihood of successful procurement becomes unrealistic.

Sustainability

The objectives set out in this report will ensure future sustainable operation of regulatory services within Worcestershire.

Contact Points

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Background Papers

Worcestershire Shared Services Joint Committee
18/12 Worcestershire Regulatory Services Growth Potential
27 September 2012

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JOINT COMMITTEE

21st November 2013

Activity Data Q1 and 2 2013/14

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. Members may remember that, due to data transfer issues, we are unable to report fully on quarter 1. We agreed to present 4 months worth of data to you, but, on further reflection, it seemed more sensible to give you a cumulative indication of activity for the first half of 2013/14.

The information shows that Trading Standards complaints from the Citizens Advice Consumer Service (CACS) appear down so far this year compared with our historical figures from Consumer Direct. This could reflect the lower levels of marketing that have been done in relation to the service and their contact number. We will continue to monitor this and look at other marketing opportunities to increase awareness of how to contact CACS. We are likely to see an increase in volumes around Christmas but this will have to be significant to get the service to the same volumes as previous years.

The data shows the summer spike in nuisance complaints quite clearly. In the last report we showed that the 751

complaints for April and May were the same in terms on numbers as those received between October and December of 2012. Had the April/ May complaint rate continued, we would have received 1500 complaints between 1st June and the 30th September. Instead we received 1800. We have mapped the noise complaints to show where the main nuisance issues are coming up in the districts as around 50% of nuisance complaints relate to noise nuisance. We know from past experience that a good summer yields additional work. We can use this 20% increase as a benchmark from which to measure future years.

Each district section shows the number of food inspections completed so far this financial year. The service focuses its food hygiene resource on catering premises and food manufacturers. Small retail-only outlets are inspected in response to intelligence or complaints. The number of premises due an inspection varies slightly from year to year but we need to deliver around 1300 inspections to meet our requirements. To date we have undertaken 887. Officers have also been taking samples to test the effectiveness of cleaning at premises and hygiene during preparation. 350 of these have been submitted for bacteriological examination. These are a useful practical test of apparent good practice. No significant adverse findings have yet been demonstrated. Officers are also taking swabs of apparently cleaned work surfaces to test the effectiveness of cleaning practice.

We have also, for the first time, been able to provide a count of the number of licensing service requests from a single database, with 1732 in the first half of the year. Reports to Licensing committees will give members more detail on the breakdown of these.

The Health and Safety function is mainly delivered by proactive project work now, rather than routine inspection. Current guidance from the HSE (National Local Authority Enforcement Code) is to restrict proactive inspections to specified sectors and types of organisation set out in the guidance. These are being addressed by the health and safety projects. There are very few premises in the whole county that are genuinely high risk in relation to the local authority health and safety at work function (it should be remembered that the Health and Safety Executive deal with the most dangerous sectors like agriculture and the building trade.) Areas being looked at are warehousing, builders merchants and leisure activity premises (those with zip wires, rope swings and similar,) and officers are looking at swimming pools for hygiene and health protection control. We highlight this project activity via the members newsletter rather than reporting through this method, as we do with our formal

actions and prosecution activity.

It should also be noted that staff we working hard on a number of significant cases which came to fruition just after the end of September, including prosecutions in both the Magistrates and Crown Court. Several appeals against the service of notice have also been defended. These will be included in the report on activity which will come to Joint Committee after Christmas.

Financial Implications

None

Sustainability

None

Contact Points

Simon Wilkes
Business Manager
01527-548314

Background Papers

Activity Data Report

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Performance & Activity Data

The Performance table included here covers those measures which are reported more frequently than once per year. We have struggled to pull these together due to the on-going development of the IT system and other commitments but hopefully this will improve going forward.

The activity data referred to in this report covers the FLARE database from 1st April 2013 to 31st May 2013 and the Uniform database from 1st June 2013 to 30th September 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.

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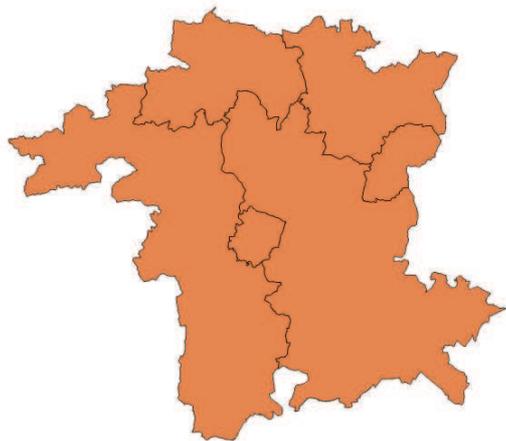
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Date: 24/10/2013

Last Updated: 04/11/2013

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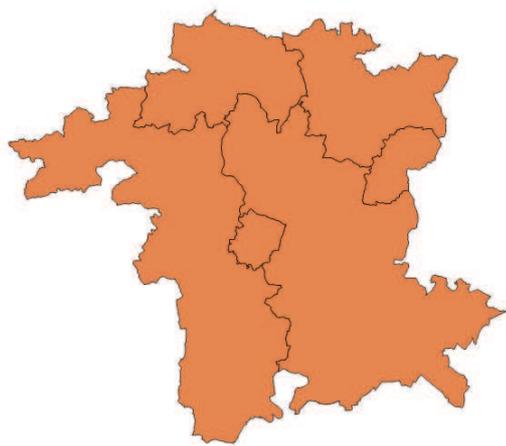


Performance Measures

The following 12 measures are the annual performance framework for the service. Most of the measures are annualised for reporting but some are scheduled for 6 monthly.

The data is Worcestershire-wide.

	Measure	6 monthly return
1	% of service requests where resolution is achieved to customers satisfaction	83% of consumers/ members of the public surveyed are either satisfied or very satisfied with service received
2	% of service requests where resolution is achieved to business satisfaction	82% of businesses are either satisfied or very satisfied with the service they receive
3	% businesses meeting purpose at first assessment/ inspection	Annual Only
4	% of food businesses scoring 0,1 or 2 at 1 st April each year	Annual Only
5	Value (£) of contracts that are subject to intervention by officers on behalf of customers.	Annual Only
6	Air Quality Action plans put in place where necessary to support delivery of improvement	Work completed
7	% of applicants for driver licenses rejected as not fit and proper	0.01%
8	% of vehicles found to be defective whilst in service	1%, based on a proportion of the fleet not the number tested or checked.
9	% of service requests where customer indicates they feel better equipped to deal with issues themselves in future	70% of customers or businesses surveyed felt better able to deal with issues themselves in the future
10	Review of register of complaints and compliments	Complaints = 8 Compliments = 17
11	Staff sickness absence at public sector average or better	4.52 days/ FTE. (NB Apr-September).
12	% of staff who enjoy working for WRS	Annual only



Worcestershire-wide Data

Nuisance

	Nuisance	FLARE	IDOX
BR	Bromsgrove	92	243
MH	Malvern Hills	94	184
RE	Redditch	121	312
WC	Worcester City	118	260
WY	Wychavon	124	259
WF	Wyre Forest	113	242
	Out of County / Unknown	89	300
	Total	751	1800

Other Complaints/ Enquiries

	Dogs	124
	Food	391
	Health & Safety	207
	Information Requests	274
	Licensing	1732
	Pest Control	186
	Planning	362
	Public Burial	15
	Water Supply	17

Consumer Complaints

	Total Consumer Complaints	4404
REFER	CACS Referrals	972
NOTIFY	CACS Notifications	3146

	Top 5 consumer complaint categories	
EE	Second Hand Motor Vehicles	526
AB	Home Maintenance & Improvements	432
AD	Furniture & Pictures	252
DE	Ancillary Credit Business	178
BA	Food & Drink	131

From 1st April to 30th September 2013, WRS received 4404 consumer complaints or enquires. 93% of cases were received via the Citizens Advice Consumer Service (CACS).

Complaints or enquires received via CACS fall under two categories; notifications (NOTIFY) and 'referrals (REFER). 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.



Bromsgrove: 129 Food Hygiene Inspections

	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

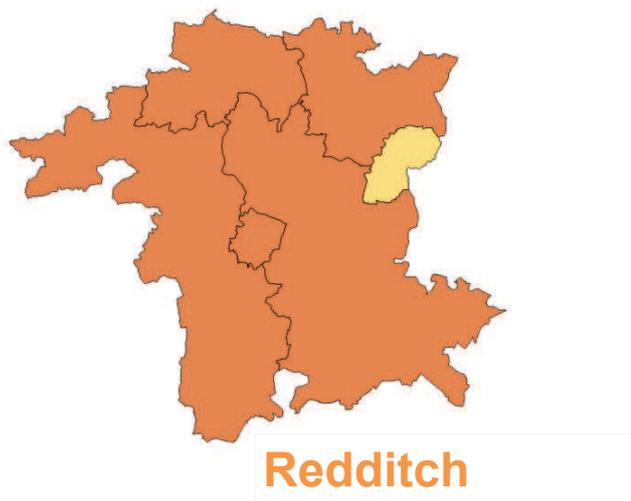
	Dogs	11
	Food	33
	Health & Safety	19
	Information Requests	29
	Licensing	151
	Nuisance Recorded on FLARE	92
	Nuisance recorded on UNIFORM	243
	Accumulations	33
	Drainage	5
	Light Nuisance	2
	Noise	155
	Odour	17
	Smokes, Fumes and Gasses	31
	Pest Control	17
	Planning	58
	Public Burial	2
	Water Supply	1



Malvern: 184 Food Hygiene Inspections

	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

	Dogs	16
	Food	34
	Health & Safety	18
	Information Requests	26
	Licensing	138
	Nuisance	184
	Accumulations	20
	Drainage	3
	Light Nuisance	1
	Noise	126
	Odour	15
	Smokes, Fumes and Gasses	19
	Pest Control	1
	Planning	38
	Public Burial	
	Water Supply	6



Redditch: 66 Food Hygiene Inspections

	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

	Dogs	11
	Food	47
	Health & Safety	21
	Information Requests	38
	Licensing	84
	Nuisance	312
	Accumulations	44
	Drainage	2
	Light Nuisance	
	Noise	227
	Odour	13
	Smokes, Fumes and Gasses	26
	Pest Control	28
	Planning	18
	Public Burial	1
	Water Supply	



Worcester: 113 Food Hygiene Inspections

	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

	Dogs	17
	Food	51
	Health & Safety	27
	Information Requests	12
	Licensing	241
	Nuisance	260
	Accumulations	37
	Drainage	2
	Light Nuisance	1
	Noise	198
	Odour	14
	Smokes, Fumes and Gasses	8
	Pest Control	2
	Planning	41
	Public Burial	7
	Water Supply	



Wychavon: 185 Food Hygiene Inspections

	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

	Dogs	25
	Food	72
	Health & Safety	30
	Information Requests	20
	Licensing	255
	Nuisance	259
	Accumulations	26
	Drainage	6
	Light Nuisance	
	Noise	176
	Odour	24
	Smokes, Fumes and Gasses	27
	Pest Control	10
	Planning	75
	Public Burial	2
	Water Supply	3

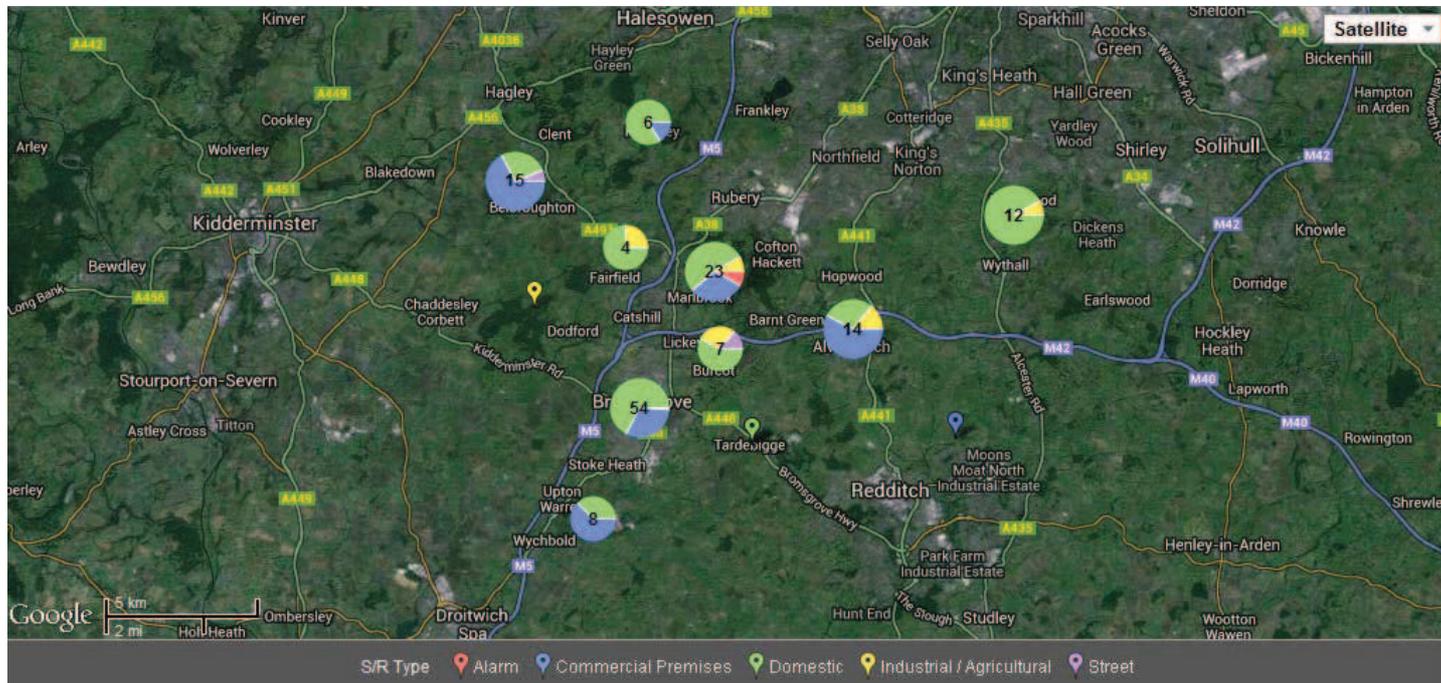


Wyre Forest: 210 Food Hygiene Inspections

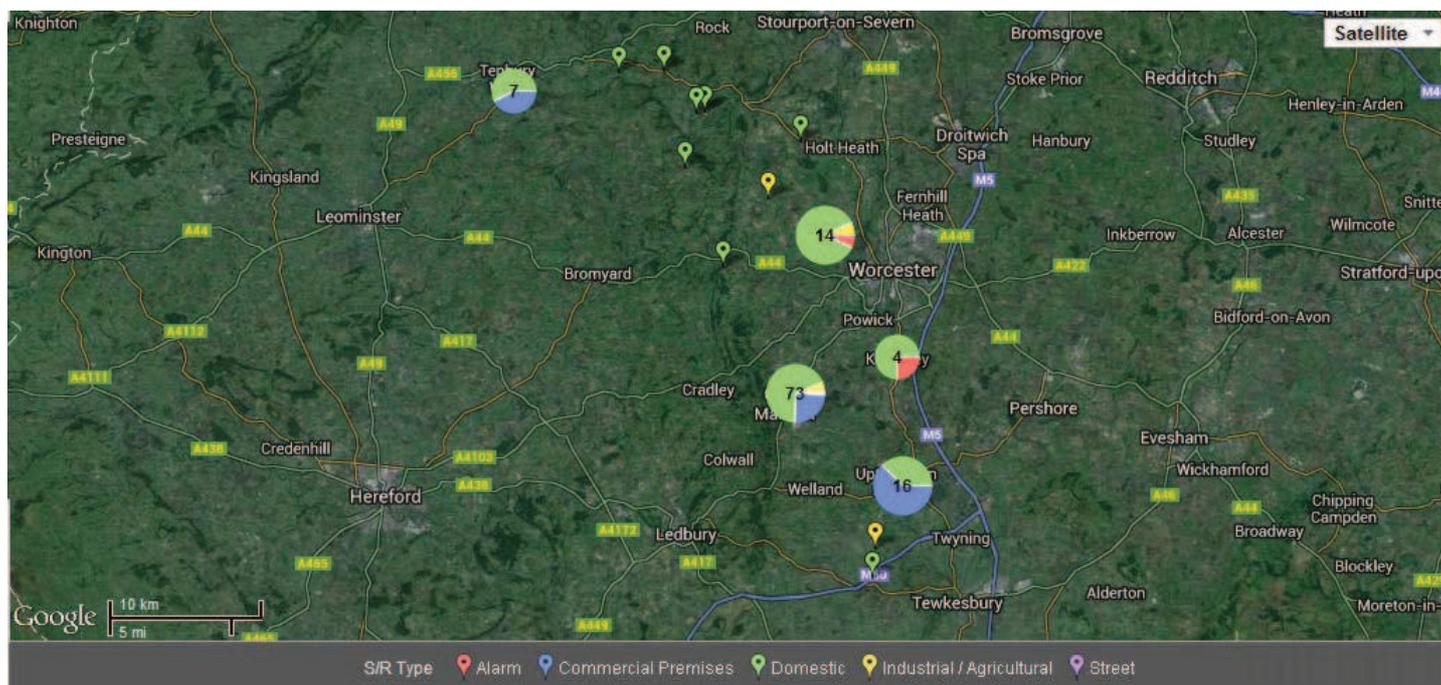
	Nuisance	113
A**	Air Pollution	11
D**	Drainage	1
M**	General Nuisance / Pollution	21
N**	Noise	51
P**	Pests	29
	Food	21
	Health & Safety	10
	Planning	17
	Public Burial	
	Other Complaints or Enquiries	4

	Dogs	13
	Food	48
	Health & Safety	25
	Information Requests	14
	Licensing	101
	Nuisance	242
	Accumulations	32
	Drainage	6
	Light Nuisance	3
	Noise	167
	Odour	14
	Smokes, Fumes and Gasses	20
	Pest Control	119
	Planning	22
	Public Burial	1
	Water Supply	2

Maps



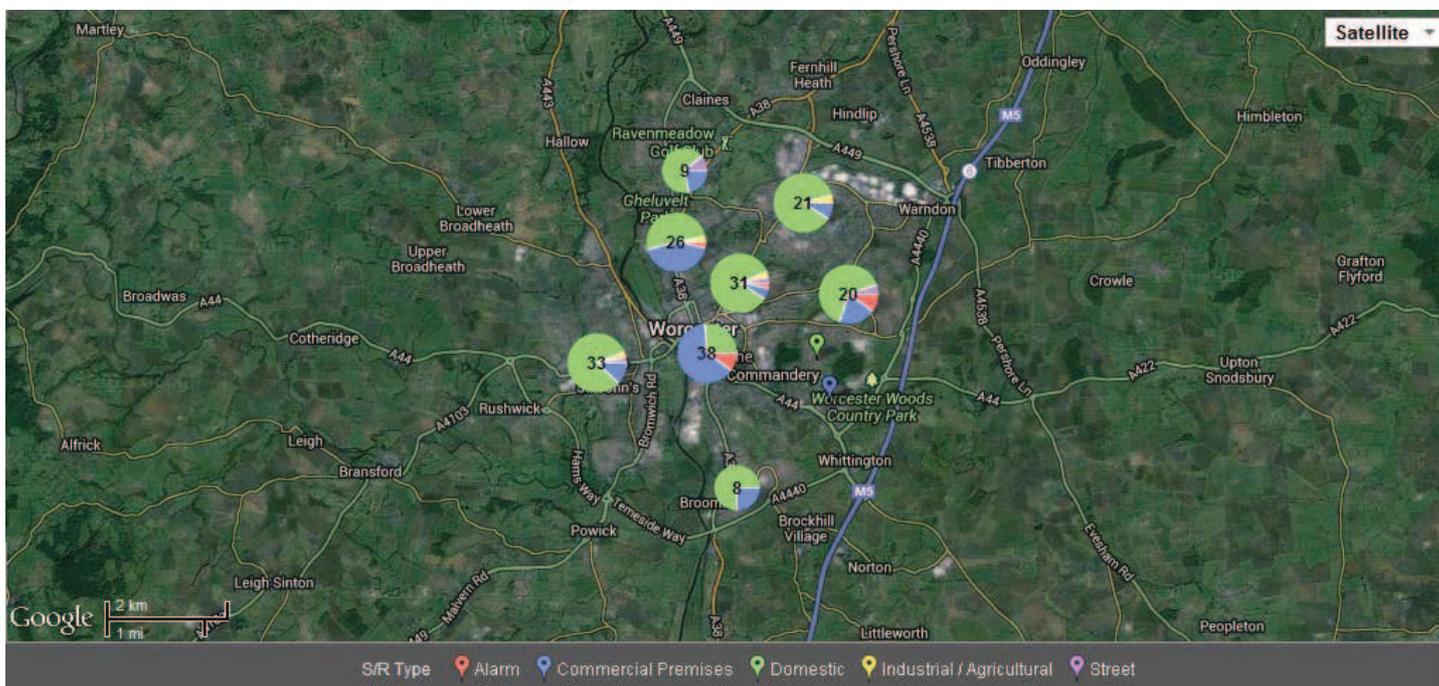
Service Requests relating to Noise in the district of Bromsgrove. Mapped by subject postcode (where stated).



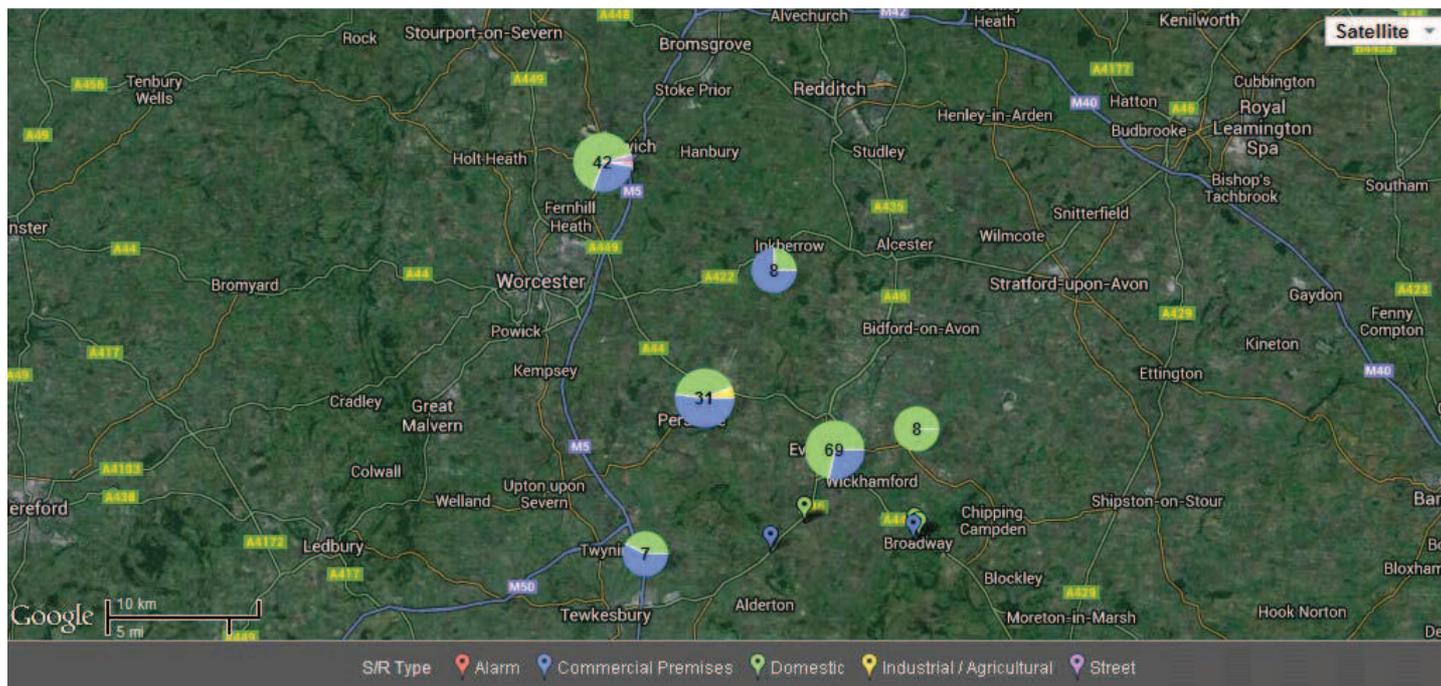
Service Requests relating to Noise in the district of Malvern Hills. Mapped by subject postcode (where stated).



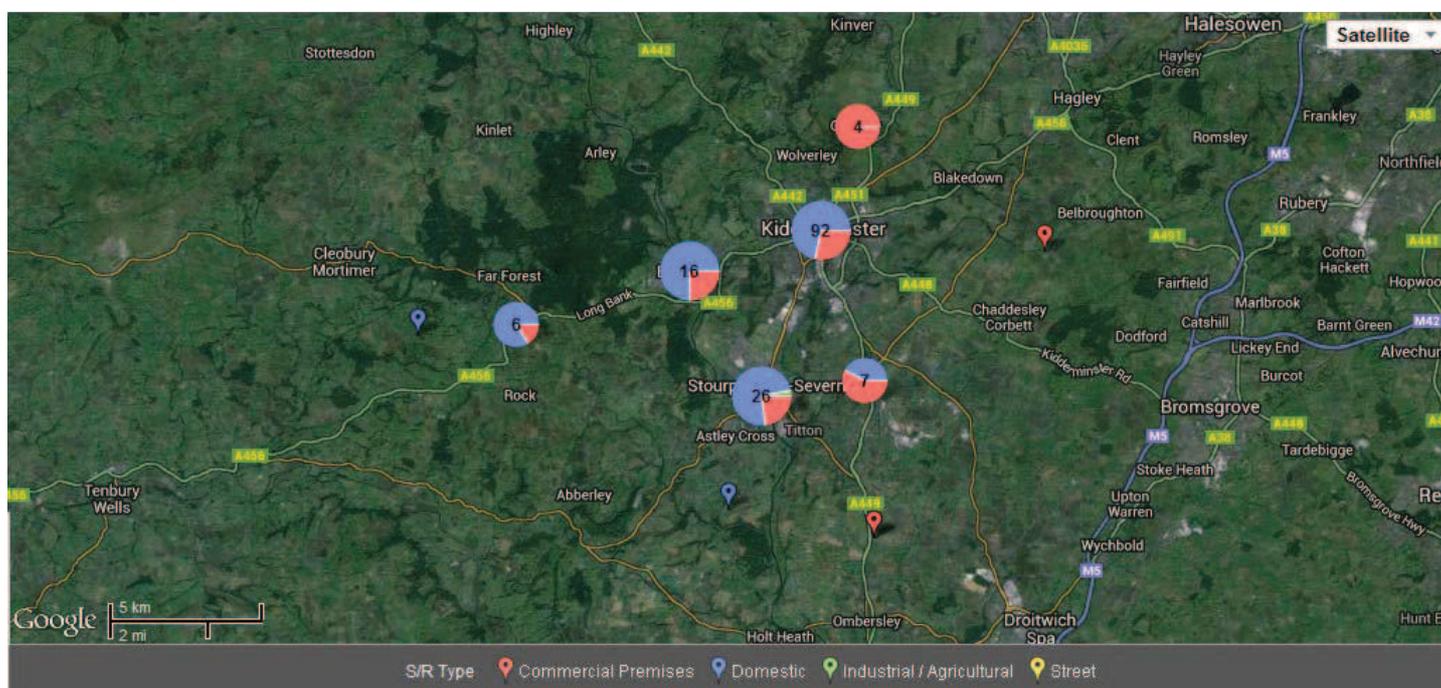
Service Requests relating to Noise in the district of Redditch. Mapped by subject postcode (where stated).



Service Requests relating to Noise in the district of Worcester City. Mapped by subject postcode (where stated).



Service Requests relating to Noise in the district of Wychavon. Mapped by subject postcode (where stated).



Service Requests relating to Noise in the district of Wyre Forest. Mapped by subject postcode (where stated).

Time to Close Complaints

Members asked for clarification on the volumes of complex casework staff are undertaking. The diagrams below show the volumes of complaints and the time it is taking to close them for our two largest areas of reactive work. Obviously, longer time to close generally indicates either a more difficult complaint or one which, by its nature, results in formal action.

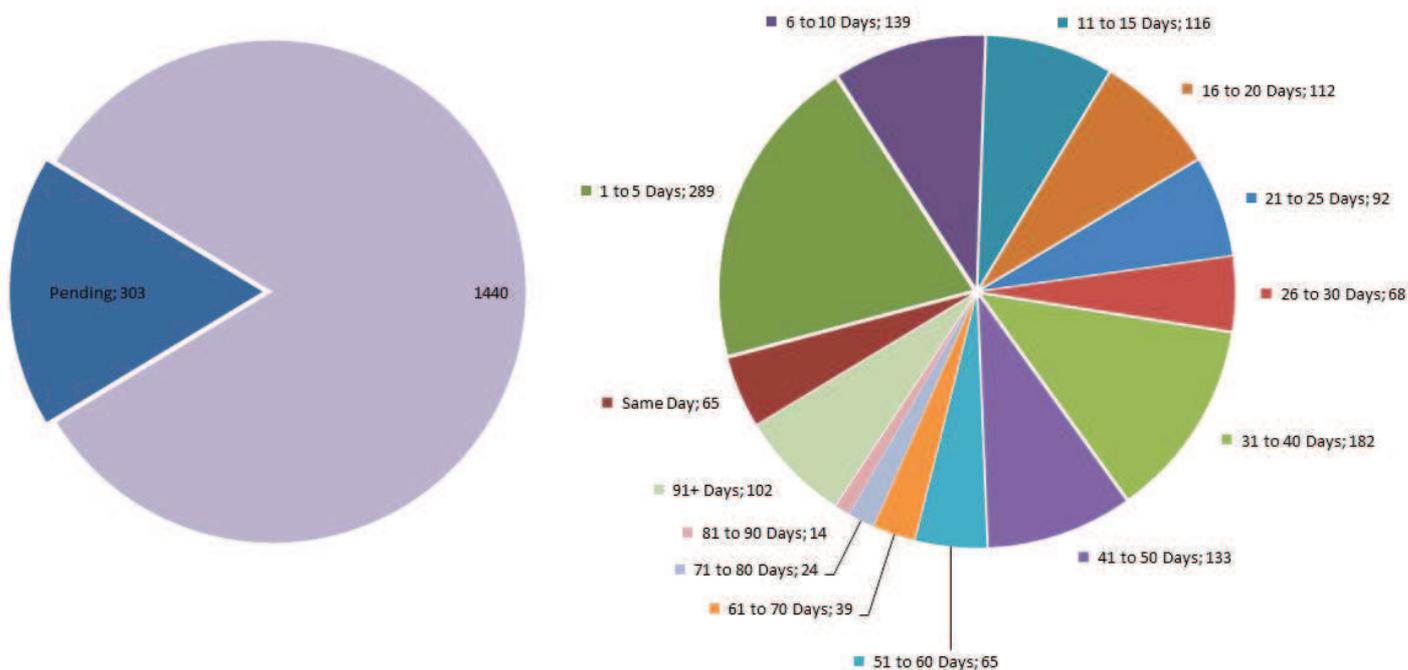


Chart showing resolution times for Nuisance complaints or enquiries

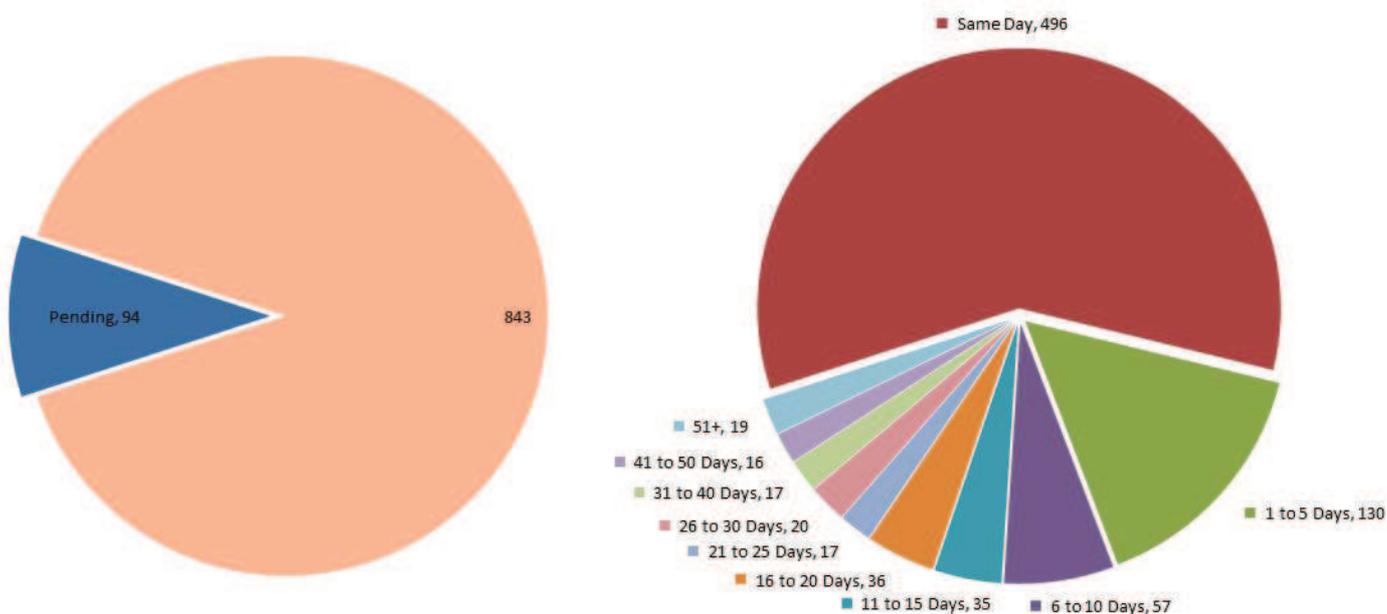


Chart showing resolution times for consumer complaint or enquiry referrals from Citizens Advice Consumer Service

In relation to consumer complaints (Trading Standards functions,) the vast majority of complaints closed quickly are either civil law issues where there is no pattern of behaviour that demonstrates harm to the collective interests of consumers, or minor criminal issues where an intervention is unlikely to yield a significant outcome e.g. minor pricing irregularities. These are treated as intelligence and used to direct the activities of the service on a pro-active basis. Only more serious issues or those impacting on the vulnerable are tackled directly.

Licensing Volumetrics

LICENCE TYPE	BDC		MHDC		RBC		WCC		WDC		WFDC	
	May-12	Aug-13	May-12	Aug-13	May-12	Aug-13	May-12	Aug-13	May-12	Aug-13	May-12	Aug-13
Premises Licence	319	333	343	364	210	217	387	390	504	484	444	369
Club Premises	41	41	32	32	23	9	20	20	66	54	39	39
Personal Licence	742	757	740	750	565	578	781	943	656	679	810	839
TENS	176	181	344	375	87	87	266	266	480	430	210	180
TOTAL	1278	1312	0	1459	885	891	0	1454	1706	1647	0	1427
TAXI TYPE												
Dual Driver	149	235	85	82	106	132	256	373	198	220	196	196
PHD			77	73	167	210						
HCD					182	230			172	176		
PHV	60	64	69	69	178	229	59	59	137	147	35	43
HCV	147	136	46	45	210	210	201	249	137	142	85	80
PHO	19	16	17	17	10	13	16	16	38	40	6	6
TOTAL	375	451	0	294	853	1024	0	532	682	725	0	325
MISC												
Motor Salvate Operators	0	0	0	0	1	1	0	0	5	5	0	0
Scrap Metal Dealers	0	0	2	2	1	1	0	0	6	6	15	15
Street Collections	3	3	48	48	10	10	35	35	32	35	24	24
House to House Collections	9	9	30	30	8	8	11	11	15	19	24	24
Animal Boarding	28	27	23	23	0	0	2	2	31	31	8	8
Dog Breeding	0	0	3	3	0	0	0	0	0	1	1	1
Dangerous Wild Animals	1	1	1	1	0	0	0	0	1	1	1	1
Pet Shops	6	4	7	7	3	3	6	6	8	6	6	6
Riding Establishments	8	11	16	16	0	0	1	1			3	3
Zoo	1	1	0	0	0	0	0	0	1	1	1	1
Street Trading	18	15	0	0	0	0	25	25	2	3	6	6
Sex Establishments	0	0	0	0	0	0	1	1	0	1	2	2
Street Amenity Licence							28	30			0	6
2nd Hand Goods							20	20				
Tattooists's	4	4	4	3	0	0	3	3	0	5	5	7
Skin Piercing	11	11	12	12	0	0	67	67	0	3	19	21
TOTAL	89	86	0	146	23	23	0	199	101	117	0	125

Gambling

Adult Gaming Centre	9	9	0	0	3	3	1	1	1	0	0	7	6
Betting Premises	8	8	4	4	11	11	18	19	19	8	8	15	12
Club Machine Permits	21	21	8	8	9	9	15	11	11	23	23	13	13
Family Ent Centres	3	3	2	2	3	3	0	0	0	2	2	4	4
LPGMP's	9	11	0	1	9	9	15	15	15	12	9	12	5
Notifications	61	62	51	62	47	49	171	171	171	132	47	92	99
Small Lottery	99	99	52	65	68	68	78	82	82	175	175	61	76
Bingo	0	0	0	0	2	2	4	4	4	0	0	1	1
TOTAL	210	213	0	117	142	0	302	303	0	352	264	205	216

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