

WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL

WORCESTERSHIRE REGULATORY SERVICES

MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE

THURSDAY, 26TH JUNE 2014 AT 4.30 P.M.

PRESENT: Councillors M. A. Bullivant, D. Hughes, B. Clayton, D. Wilkinson, Mrs. L. Hodgson, A. N. Blagg, R. Davis, K. Jennings, P. Harrison and M. Hart (during Minute No's 4/14 to 12/14)

Observers: Ms. R. Mullen, Corporate Director, Service Delivery, Worcester City Council and Mr. V. Allison, Deputy Managing Director, Wychavon District Council

Invitees: Mr. I. Pumfrey, Chairman, Worcestershire Regulatory Services, Management Board

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

1/14 **ELECTION OF CHAIRMAN**

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

2/14 **ELECTION OF VICE-CHAIRMAN**

RESOLVED that Councillor Mrs. B. Behan, Malvern Hills District Council be elected as Vice-Chairman of the Joint Committee for the ensuing municipal year.

3/14 **APOLOGIES**

Apologies for absence were received from Councillors R. L. Dent, Bromsgrove District Council, Mrs. B. Behan, Malvern Hills District Council and A. Roberts, Worcester City Council.

4/14 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

5/14 **MINUTES**

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 20th February 2014 were submitted.

Councillor Mrs. L. Hodgson requested that with regard to Minute No. 37/13, that it be noted that there was a shortfall of £222,000 in relation to the part year effect to meet the level of reduction required for 2014/2015 for County Services and that it was accepted that due to the timing of potential restructures that there would be this level of shortfall. Her concern was that this information was not clearly detailed in Minute No. 37/13.

RESOLVED that, subject to the amendment as detailed in the preamble above, the minutes be approved as a correct record.

6/14

WORCESTERSHIRE REGULATORY SERVICES ANNUAL REPORT
2013/2014

The Committee considered the Worcestershire Regulatory Services Annual Report for the period 1st April 2013 to 31st March 2014.

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 2013 to 31st March 2014.

The Head of WRS informed Members that the report covered the performance of the service. This year had seen continued discussions around future operating and financial models for the delivery of the service. Budget reductions requested by partners had been delivered by way of efficiencies and reductions identified for 2014/2015 that included reductions in service level. The year 2013/2014 was still an excellent year for work activity with excellent results across a range of service areas, some good outcomes from Court cases and a wide range of other project work delivered.

The Head of WRS drew Members' attention to the performance information as detailed on pages 19 to 22 of the Annual Report. Members were briefly informed of the recent Joint Overview and Scrutiny exercise. Members from the seven partner authorities had formed a Joint Overview and Scrutiny Task Group focusing on what WRS had delivered since its inception. Interviews had been held with WRS officers and the Management Board. The findings of the Task Group would be brought to a future meeting of the Joint Committee.

Councillor Mrs. L. Hodgson highlighted that one of the criticisms of the Task Group was information from Joint Committee meetings not being cascaded down to all partner authorities Members. She raised the question "How did we ensure information was cascaded down to Members of each partner authority". Councillor M. Hart responded that he felt that Joint Committee Members had a huge role to play and was of the opinion that it was down to Joint Committee Members to feedback to their respective Members to ensure they were kept fully informed. Further discussion followed with Members agreeing on the importance of information being cascaded down to partner authorities Members, so as any concerns identified could then be raised via their Joint Committee Member at Joint Committee meetings. Members also

agreed that it would be good practice to send a copy of the WRS Annual Report each year to all partner authorities Members as well as partner authorities Chief Executives and Managing Directors.

The Head of WRS responded to Members' questions with regard to the savings for partner councils as identified on page 47 of the Annual Report. Highlighting that WRS were working with partner authorities to develop savings over the next two years, strategic partnering would help with savings.

The Head of WRS drew Members' attention to 'Other Highlights' on pages 23 to 30 of the Annual Report. The Head of WRS responded to Members' questions with regard to press releases being issued and informed the Committee that WRS had a robust approach and proactive role when it came to areas of successful working or successful prosecutions which were publicised via press releases.

RESOLVED:

- (a) that the Worcestershire Regulatory Services Annual Report 2013/2014 be noted; and
- (b) that a copy of the Worcestershire Regulatory Services Annual Report 2013/2014 be forwarded to the Chief Executive, Managing Director and Members of each partner authority.

7/14

STRATEGIC PARTNERING HIGHLIGHT REPORT

Members were provided with a highlight report – June 2014.

The Head of Worcestershire Regulatory Services (WRS) introduced the highlight report and in doing so informed the Committee that four bidders had been invited to participate in the next phase, the dialogue process. A set of draft templates had been developed for the Invitation to Participate in Dialogue (ITPD) stage. A Suppliers Day was being held on Monday 7th July 2014 at Redditch Borough Council commencing at 1:00pm. The purpose of the Suppliers Day was to highlight to the bidders what the Worcestershire partners were looking for in a Strategic Partnership and the principles of which they were seeking in any proposals. This was an opportunity for WRS and South Worcestershire Building Control to showcase what they could do and their significant achievements to date. An invite had been extended to Joint Committee Members to attend the Suppliers Day.

The bidders would then be asked to go away and prepare their questions for the dialogue phase which would begin week commencing 28th July and 11th August 2014. Timeline for Competitive Dialogue had been developed but was really tight in order to achieve a contract signature in early 2015. The project plan would be monitored carefully at each project team meeting. The project manager would report any slippages to the Management Board. The project was on budget but due to the complexities involved in running two lots in the same process more of the project manager's time had been called upon than had been anticipated.

The Head of WRS further informed the Committee that the outline of the project plan and key dates would be presented to a future meeting of the Committee. WRS staff had been kept fully informed. The Head of WRS highlighted that he was happy to attend any Council meetings in order to inform and update all partner authorities.

The Head of WRS responded to Councillor B. Clayton with regard to the status of the project, would additional funds be required as a result of the additional time required of the project manager. The Head of WRS explained that complex paperwork had required more time than anticipated in the early stages of the project which had resulted in an increased spend, so hopefully no additional funding would be required.

The Chairman expressed his thanks for the highlight report.

8/14

WORCESTERSHIRE REGULATORY SERVICES - BUSINESS MODEL REVIEW

The Committee was asked to consider the Worcestershire Regulatory Services, Business Model Review which had been developed to reflect the changing needs of the Worcestershire Shared Services Partnership.

Mr. I. Pumfrey, Chairman, Worcestershire Regulatory Services (WRS), Management Board introduced the report and in doing so informed Members that the business model review had been prompted by the fact that partner authorities were currently in a very different place today compared to when the partnership was initially developed in 2010.

With the exception of minor revisions to the scope of work contained within the Statement of Partner Requirements, the agreement had not been revised since it was completed in 2010. Significant revisions to the agreement were now needed to ensure it continued to be fit for purpose given the substantial changes that had occurred in the operating environment over the last four years.

All partners were in a very similar situation with regard to budget cuts. It was however increasingly difficult to achieve a common approach to service delivery because of the marked difference in financial pressures confronting partner councils compared to 2010.

Negotiating agreement on the "Core Matrix" service level and new activity based cost sharing mechanism agreed by this Committee in September 2013 was both complex and challenging because of increasing differences in financial pressures faced by partners. The Management Board considered that these challenges and pressures meant that continued pursuit of a common approach could no longer be sustained and recognised that by 2016/2017 there needed to be a greater differentiation in partner contributions to, and associated service levels received from, WRS. A new business model was required which would accommodate these different requirements as well as deliver current savings and efficiency plans. This view was echoed by Worcestershire Chief Executives who were concerned to avoid repetition of

the difficulties in agreeing a WRS budget and service position for the current year.

The report sets out the proposals for modification to the business model of WRS to reflect the changing needs of the partnership. The proposals were intended to provide an interim solution recognising that further changes would be necessary once the outcome of the current procurement for a strategic partnership was known.

The Chairman, (WRS), Management Board highlighted that the proposed changes to the partnership agreement would require unanimous approval of all participating authorities to enable them to be incorporated.

RESOLVED that the revisions to the Worcestershire Regulatory Services business model as detailed in the report be endorsed.

RECOMMENDED that partner Councils approve the changes to the Worcestershire Shared Services Partnership Agreement as detailed at Appendix 1 to the report at the earliest opportunity.

9/14

WORCESTERSHIRE REGULATORY SERVICES REVENUE
MONITORING APRIL - MARCH 2014

The Committee considered a report which detailed the financial position for the period April 2013 to March 2014.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so informed the Committee that 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 2013/2014 was limited to the return as detailed at Appendix 3 to the report.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council drew Members' attention to the detailed revenue report, as detailed at Appendix 1 to the report. This showed a final outturn underspend of £147,000. This underspend was mainly due to a number of vacant posts within the service together with savings resulting from maternity leave, long term sick etc. The underspend was offset by the costs associated with additional agency staff being used to cover the vacancies and to backfill for staff seconded to support the service transformation project.

As previously reported there was a saving of £282,000 from the costs originally included in the business case, another £250,000 had been released during 2013/2014 making a total saving of £533,000 from the original business case.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council informed Members that Appendix 5 to the report detailed the Worcestershire Internal Audit Shared Services Manager's Audit Opinion on

the effectiveness of the System of Internal Control at Bromsgrove District Council.

RESOLVED:

- (a) that the financial position for the period April 2013 to March 2014, be noted;
- (b) that the ICT funding required from partner Councils for 2013/2014 as detailed at Appendix 2 to the report, be approved;
- (c) that the refund of the 2013/2014 underspend of £147,000 to the participating Councils, as set out below, be approved:

Council	Refund of Savings £'000
Bromsgrove	16
Malvern Hills	14
Redditch	16
City of Worcester	20
Wychavon	24
Wyre Forest	15
Worcestershire County Council	42
TOTAL	147

- (d) that the Annual Return as set out at Appendix 3 to the report, including the Accounting Statements for the Joint Committee for the period 1st April 2013 – 31st March 2014 be approved; and
- (e) that the Worcestershire Internal Audit Shared Services Manager's Opinion on the Effectiveness of the System on Internal Control at Bromsgrove District Council for the year ended 31st March 2014, as detailed at Appendix 5 to the report be noted.

10/14

WORCESTERSHIRE REGULATORY SERVICES REGULATORS CODE

The Committee considered a report that provided information on the Regulators Code which had replaced the Regulators Compliance Code, previously published by the Better Regulation Delivery Office.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and informed Members that WRS had taken the lead regionally to ensure consistency. The Regulators' Code was published in July 2013, ahead of its statutory implementation, in order to allow regulators time to comment, review their existing practices and to identify any steps they needed to take in order to meet the expectations of the revised Code. The Code came into force on April 6th 2014. From this date, local authorities had a statutory duty to have regard to the Code when developing the principles and policies which guided their regulatory activities.

The code required Regulators to:

- Carry out activities in a way that supports those they regulate to comply and grow
- Provide simple and straightforward ways to engage with those they regulate and hear their views
- Base their regulatory activities on risk
- Share information about compliance and risk
- Ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply
- Ensure that their approach to their regulatory activities is transparent

RESOLVED:

- (a) that the headline requirements of the Code be noted; and
- (b) that the Joint Committee endorses the approach being taken by Worcestershire Regulatory Services in relation to embedding these requirements.

11/14

ACTIVITY DATA QUARTER 3 AND 4 2013/2014

The Committee considered a report which detailed the Worcestershire Regulatory Services Activity Data for Quarter 3 and 4, 2013/2014.

Mr. S. Wilkes, Business Manager, Worcestershire Regulatory Services (WRS) introduced the report and reminded Members that they had requested that the service provided data on activity levels to help reassure local Members that WRS actively continued to tackle issues broadly across the county. The report showed three full quarters of data for comparison.

In the last report presented to Joint Committee Members, it was noted that complaints from Citizens Advice Consumer Service (CACS) were down. This appeared to be a national issue, with authorities in many regions reporting this. It was raised with CACS through the Association of Chief Trading Standards Officers representative on the CACS Board who engaged with partners. The situation would be monitored. Locally we may need to ensure that the number was published and broadcast as much as possible.

The report highlighted a number of cases which had been concluded in quarter 4. These cases were detailed on page 93 in the report. Members agreed that successful cases should be publicised in order to make the public aware of the activities of WRS.

Mr. S. Wilkes responded to questions from Members with regard to the Food Hygiene Rating Scheme (formerly referred to as Scores on the Doors,) which rates the level of hygiene at local catering establishments and contributed to the performance indicators agreed for the service. There was not a statutory requirement for premises to display their Food Hygiene Rating Certificate.

The data continued to highlight the large volumes of demand coming into the service for Licensing, although there was a reduction in quarter 4. This was likely to be a post-Christmas effect with fewer temporary events taking place.

The Chairman expressed thanks to officers for the comprehensive report.

RESOLVED that the Worcestershire Regulatory Services Activity Data Quarter 3 and 4 report be noted.

12/14 **REVISED MEETING DATES 2014/2015**

The Committee considered the revised meeting dates for 2014/2015.

RESOLVED that the Worcestershire Shared Services Joint Committee meeting dates and start time of 4.30pm for 2014/2015 be approved as follows:

- Thursday 2nd October 2014
- Thursday 27th November 2014 – Budget Meeting
- Thursday 19th February 2015

The meeting closed at 5.40 p.m.

Chairman