

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

14TH JULY 2014 AT 6.00 P.M.

MINUTE EXTRACTS – MINUTE NUMBER 20/14.

WRS JOINT SCRUTINY TASK GROUP - FINAL REPORT

Councillor R. J. Laight, the Council's representative on the Joint Worcestershire Regulatory Services (WRS) Scrutiny Task Group and Chairman of the review, presented the group's recommendations.

During the delivery of this presentation the following issues were highlighted for Members' consideration.

- Meetings of the group had been co-ordinated by the Council's Democratic Services team because Bromsgrove District Council was the host authority for WRS.
- The subject had been reviewed as a joint scrutiny exercise partly because all of the 7 Councils in Worcestershire were members of the shared service. However, Members were also advised that it had been a requirement of the original partnership agreement that WRS would not be subject to scrutiny by the Overview and Scrutiny Boards at each partner authority.
- The review had been detailed and lengthy, involving 15 meetings.
- There had been cross party consensus within the group on their final recommendations.
- The report had already been considered by Redditch Borough Council and Wychavon District Council's Overview and Scrutiny Committees which had both endorsed all of the group's recommendations.
- Wyre Forest District Council had also considered the report, though had deferred making decisions on the subject.
- The report would be presented for the consideration of the Worcestershire Shared Services Joint Committee in October 2014. The findings of the Joint Committee would subsequently be reported back to the Cabinets at each partner authority for further consideration.
- Members were informed that meetings of the Joint Committee were open to the public. It was suggested that some Members might want to attend the meeting of the Committee in October to observe the decision making process in action.
- Any feedback from the Board about this report would be detailed in the minutes of the meeting and attached as an addendum to the report when presented to the Joint Committee.
- Members of the group had been concerned that further reductions in partners' financial contributions could have a detrimental impact on public safety, due to the nature of the services provided by WRS.

- The Task Group had been particularly concerned about the approach that had been adopted by some partners to funding the shared service. Members were suggesting that in some cases partners had prioritised their interests, particularly during discussions about finances, which was not necessarily conducive to effective partnership working.
- The Task Group had also been concerned about the governance arrangements for WRS and were proposing significant changes designed to enhance the shared service.
- Members had received evidence from a number of expert witnesses during the review. Councillor Laight noted that he was particularly keen to thank the Head of Regulatory Services for his constructive contributions to the review.

Following delivery of the presentation a number of points were raised during a discussion of the group's recommendations:

- The Head of Regulatory Services had advised the group that any further reductions beyond the current budget level would have an impact on service provision as there would be fewer Officers than needed to deliver services at their current levels.
- Budget reductions would potentially lead to further job losses and could result in a reduction in Officer capacity to react to major crises (such as outbreaks of foot and mouth disease).
- A reduction in the budget available to the shared service could also impact on the potential for Officers to undertake preventative action. In this context there was a risk that WRS would become a purely reactive service.
- Concerns were raised about accountability for WRS the difficulties that had been encountered in the first 4 years of operation. Ultimately, it was confirmed that the Joint Committee was accountable for the shared service as the elected Members appointed to the Committee made decisions about the partnership and monitored the performance of services.
- The partnership had been established in 2010. At that time the significant changes to local government that would subsequently occur, particularly those resulting from financial austerity, had not been anticipated and it had not been possible to predict that challenges would arise in the way that they had.
- Communication problems involving the Worcestershire Hub Service were highlighted within the review. It was anticipated that the new in house communications service would address these problems and improve the service to the customer. The designated Member Liaison Officer, if introduced, would also help to resolve this problem.
- Attempts had been made to consult with Worcestershire County Council regarding their proposed budget cuts. However, a letter sent to the Leader of the Council and relevant Officers had not been taken into account as part of the budget setting process and a response had only been received following further enquiries.
- The Board noted that the county Council and the district Councils had different statutory responsibilities in relation to regulatory services.
- Some Members suggested that if the budget reductions proposed by Worcestershire County Council were critical consideration might need to

be given in future to the district Councils working together alone in order to make sure that the partnership remained sustainable. However, the Board acknowledged that this idea would need to be subject to further investigation.

- The review had not necessarily been undertaken at the most appropriate time as it coincided with significant changes for the partnership, including initial discussions about the potential for WRS to enter into a strategic partnership with an external partner.
- Some concerns were expressed that due to the criticisms contained within the report some organisations might be deterred from entering into a strategic partnership with WRS and this could therefore weaken any final partnership arrangements.
- However, Officers confirmed that four organisations had already expressed an interest in the potential to enter into a strategic partnership with WRS, though no detail could be provided on the progress that had been made with this matter at the time of the meeting.
- No decisions had been made by the date of the meeting concerning the strategic partnership. Officers confirmed that any decision to enter into a strategic partnership with an external partner would need to be made by the Cabinets at each local authority.
- Members expressed an interest in learning more about the proposed strategic partnership and the implications for the future of WRS. As Officers had already delivered briefings on this subject to other partners, such as Malvern Hills District Council, it was agreed that a similar briefing should be requested for Bromsgrove.
- The Council's two elected representatives on the Joint Committee had both been consulted as part of the review. However, whilst they had been advised of the outcomes of the review it had not been felt that it would be appropriate to invite them to speak to the Board on this matter because they had been expert witnesses.
- Amanda Scarce and Jess Bayley, the Democratic Services Officers who had supported the review, were thanked for their help with the exercise. There was a suggestion that further joint scrutiny exercises would be useful in the future. However, Members agreed that in order to ensure that further joint scrutiny exercises were effective participating Councils would need to provide more constructive support to the host authority.

The level of funding reductions that had been proposed by Worcestershire County Council for the following three year period were discussed in particular detail. Members were disappointed to learn that this could lead to a significant reduction in the number of Trading Standards Officers employed by WRS and there were some concerns that this could have a detrimental impact on the quality of the trading standards service in the county. Members also noted that in order to manage any future crises involving trading standards WRS might need to hire staff on a temporary basis from other regulatory services which could potentially lead to an increase in financial costs for the partnership. Alongside these considerations Members expressed concerns that the proposed contribution from Worcestershire County Council would not cover the overheads and other costs of the partnership.

Alongside these reductions Members noted that a number of district Councils had also requested that specific savings be achieved, particularly Worcester City Council and Wyre Forest District Council. Officers advised that any reductions in financial contribution would be accompanied by a corresponding reduction in service levels within those Councils' boarders. However, Members were concerned that the cumulative impact of all these reductions would be detrimental for the partnership as a whole and, in particular, would undermine the sustainability of the shared service in the long-term.

Whilst Members concurred that the group's proposals should be endorsed the Board agreed that the concerns they had raised during their debate should also be highlighted for the consideration of the Joint Committee. The Board therefore

RECOMMENDED to the Worcestershire Shared Services Joint Committee that

1. the 12 recommendations of the Joint WRS Scrutiny Task Group be endorsed; and
2. the Board's concerns, that further reductions in the financial contributions from partners could risk the future of the partnership and the safety of residents, be noted;

RESOLVED that

1. the Head of Regulatory Services be invited to a future meeting of the Overview and Scrutiny Board, together with the relevant Portfolio Holder, to deliver a briefing on the subject of the strategic partnership plans for WRS and that all Councillors should be invited to attend the meeting in order to receive this briefing; and
2. the report be noted.

MALVERN HILLS DISTRICT COUNCIL

OVERVIEW & SCRUTINY COMMITTEE MEETING

15 JULY 2014

EXTRACT FROM MINUTES

Report of the Joint Worcestershire Regulatory Services Scrutiny Task Group

The Committee was pleased to welcome Councillor Peter Tomlinson, Vice Chairman of the Task and Finish Group, who together with John Raine, the Committee's representative on the Group, presented the report.

It was noted that the report was in the process of being presented to all participating authorities' Overview and Scrutiny Committees whose comments would be appended to the report, and submitted to the Worcestershire Regulatory Services Joint Management Committee for consideration on 2nd October 2014.

It was anticipated that the report would again be submitted to each participating authority in light of the outcome of the 2nd October.

In terms of the report, some members expressed concerns around the financial aspect and the proposals for each authority to be able to select from a menu of services, rather than to provide all, which some members considered may result in a fragmentation of services.

However, overall the Committee expressed its gratitude to the Task and Finish Group for the amount of work undertaken which had resulted in such a detailed and comprehensive report.

RESOLVED: that the report be ENDORSED.

REDDITCH BOROUGH COUNCIL

OVERVIEW & SCRUTINY COMMITTEE

17TH JUNE 2014

EXTRACT FROM MINUTES – Minute No 4

JOINT WRS SCRUTINY TASK GROUP - FINAL REPORT

The Committee welcomed Councillor Rod Laight, Chair of the Joint WRS Scrutiny Task Group, from Bromsgrove District Council, and invited him to deliver a presentation on the subject of the review.

During the delivery of this presentation the following issues were highlighted for Members' consideration:

- The review had originally been proposed in July 2012 but, due to delays arising from the consultation process with every Council in Worcestershire, it had not been possible to start the exercise until September 2013.
- Each of the seven Councils in Worcestershire had agreed to participate in the review.
- The group had proposed 12 recommendations focusing on particular themes.
- The group had found that in the past there had been inconsistent monitoring of service performance. This was partly due to ICT problems, though these had been resolved.
- Communications had been a significant weakness identified by the group. Due to poor communications the public and Councillors struggled to contact the service.
- There were also problems with the process for communicating developments with Worcestershire Regulatory Services (WRS) from members of the Worcestershire Shared Services Joint Committee to other elected Members at partner authorities.
- One of the key challenges facing the shared service was the financial support available from partner organisations. In recent years financial austerity had impacted on many of the partners and a number were requesting significant savings placing the future of the partnership at risk.
- To address these financial challenges Officers were considering entering into a strategic partnership with a private sector partner.
- The governance of the shared service had also been a significant issue considered by the group. Members had concluded that the current governance arrangements were too complex and did not enable the partnership to operate effectively. In some cases, the group had concluded that elements of the governance structure were in fact undermining the shared service.
- A number of lessons had been learned during the review, with implications both for future shared services and for any further joint scrutiny exercises.

- Despite current difficulties with WRS the Task Group had concluded that the benefits of the shared service outweighed these problems and that it was essential to retain an effective partnership for the future.

Following presentation of the group's report a number of additional issues were raised by Members.

- Disappointment was expressed regarding the limited number of responses that had been received from other Councillors consulted during the review about WRS.
- The potential impact of proposed budget reductions on service levels. In particular, concerns were expressed that if Worcestershire County Council's budget cuts went ahead as planned the trading standards function in Worcestershire would not necessarily have the resilience to cope with local demand.
- The benefits of having a Member Liaison Officer for Councillors to contact.
- Concerns were expressed that residents as well as local public sector bodies did not always appreciate the valuable contribution made by Regulatory Services to public health, safety and fair trading.
- The benefits of preventing issues from arising and the risk that as a result of budgets being reduced too heavily the shared service would become more reactive than proactive.
- The fact that budgets had already been reduced significantly. There would come a point where further reductions could not be undertaken without the future of the partnership being placed at risk.
- The progress that had been made in relation to the proposed strategic partnership between WRS and a private sector partner. Five companies had already expressed an interest in entering into a strategic partnership, though no final decisions had been made on the subject by the date of the meeting.
- The development of the existing budget matrix to enable partners to reduce budgets whilst continuing to receive services that met local needs. The matrix had been designed to enable partners to assess the risks involved in reducing budgets for particular service areas.
- The benefits of sharing services across such a large number of partners. In particular, it was noted that as a result of sharing services partners were able to access expertise and resources that would not have otherwise been available to their customers if the service had been retained in house.
- The need for Members of the WRS Board (currently the Joint Committee) to be appropriately trained and briefed on the subject of regulatory services and who were willing to commit to learning about and engaging with the service effectively.
- The potential impact, in terms of workload, if the Chief Executive of the host authority was to assume a mentoring role for the Head of Regulatory Services. Officers confirmed that this would not have a significant impact as this mentoring role was largely already implemented.
- The benefits involved in disbanding the Management Board as proposed by the group. The Task Group had found that members of the Management Board tended to interfere in operational matters, despite

the fact that many did not have experience or training in this sphere unlike members of WRS staff. This was making it difficult for WRS staff, particularly senior Officers, to undertake their jobs and was encouraging both Members and Officers to focus on the needs of individual authorities rather than on how to make the shared service and effective partnership.

- The role of the Joint Committee which had been delegated with the power to make some decisions on behalf of all partner organisations. For this reason the Task Group's recommendations would be referred to the Joint Committee before the Council's Executive Committee was invited to consider the group's findings.

The Committee also discussed the value of joint scrutiny exercises. Members noted that this was the first joint scrutiny exercise involving every local authority in Worcestershire that had been hosted by a district Council. Members suggested that it would be useful to undertake further joint scrutiny reviews, as and when appropriate, in future as the experience had been largely positive. Due to the complicated nature of this joint scrutiny exercise two Democratic Services Officers, Jess Bayley and Amanda Scarce, had supported the review. The Chair of the review thanked them for the support that they had provided to this exercise, however, it was suggested that if further joint scrutiny exercises were to take place in the future all partners should be encouraged to contribute equally to the review process at both a Member and Officer level. This would help to minimise stress levels amongst both Officers and Members and ensure that there was a common level of understanding of the review's aims and outcomes when reports were delivered back to participating authorities.

RECOMMENDED to the Worcestershire Shared Services Joint Committee that

- 1) Performance Management Information should continue to be made available for Members' consideration at every meeting of the Joint Committee and be sufficiently high on the agenda to be discussed in detail;**
- 2) twelve months after the new contact centre arrangements for WRS have been introduced, replacing the use of the Worcestershire Hub; the Joint Committee should review the effectiveness of these arrangements for communicating with the public;**
- 3) the web-pages of each partner authority should be regularly monitored to ensure they are kept up to date, with the inclusion of a prominent and obvious link to the WRS website;**
- 4) the purpose, content and circulation of the WRS newsletter should be thoroughly reviewed, with a view to it providing a more systematic and comprehensive account of the work and performance of the shared service and with the content and format being agreed by the Joint Committee;**

- 5) that WRS have a designated member of staff to act as a Member Liaison Officer and as a single point of contact to signpost Member enquiries;
- 6) in order to reduce the focus on financial considerations which currently play a major part in influencing partner participation, to the detriment of other equally important aspects of the service, the following should be addressed:
 - a) a new business model for WRS be developed through the Chief Executives' Panel, building on the proposals already being produced by the Panel;
 - b) Consideration be given to the option for partner authorities to purchase an "out of hours service";
- 7) a new strategic decision making board for WRS should replace the Joint Committee, comprising one elected member per partner authority and supported by senior officers. This should be called the WRS Board.
 - a) Meetings of this Board should take place at the base of WRS;
 - b) responsibility for attendance at Board meetings should lie with each authority's representative, and the quorum for meetings proceeding should be set at 5 representatives in attendance;
 - c) meetings of the Board should take place bi-monthly;
 - d) elected Members appointed to the Board should be provided with an induction programme and sufficient ongoing training to enable them to fulfil their role effectively;
 - e) Members appointed to the Board be expected to serve a minimum of two years to ensure continuity;
 - f) the Chair of the WRS Board should be elected annually by the members of the Board;
- 8) The Management Board be disbanded, with the WRS Management Team taking the lead responsibility for operational decision making under the leadership of the Head of Regulatory Services;
- 9 a) the Head of WRS should be fully accountable to the WRS Board (as the strategic decision making body);
 - b) the Chief Executive of the host authority to act in a mentoring role as and when necessary;
- 10 a) all decisions made by the WRS Board be formally reported back to all elected members of the partner authorities in a timely manner;
 - b) attention should be paid to communicating updates about any planned changes to WRS services to all elected members of partner authorities;
 - c) the agendas and minutes of all WRS Board meetings should also be uploaded on to the WRS website in a timely fashion;
- 11) The lessons learned from the WRS shared service experience, particularly as detailed in this report, should be heeded by elected

members and senior officers when considering any future proposals for shared service arrangements involving multiple partners;

- 12 a) the Joint Scrutiny Protocol should be reviewed in order to take on board the lessons learned during this review; and**
- b) consideration should be given to the reinstatement of the Worcestershire Overview and Scrutiny Chairs Group as a means of feeding back the monitoring of recommendations from Joint Scrutiny exercises, as and when required.**

WORCESTER CITY COUNCIL
SCRUTINY COMMITTEE

16th July 2014

Present: Councillor Adrian Gregson in the Chair

Councillors Cawthorne, Cronin, S. Hodgson, Johnson, Lacey, Lamb, Mackay, Prodger, Smith, Squires and Whitehouse (Vice-Chairman)

Also in Attendance:

Councillors Berry, L. Denham, P. Denham, Laurenson and Williams

Officers:

Ruth Mullen, Corporate Director – Resources
Gemma Poxon, Policy and Performance Manager
Sally Kelsall, Strategy and Partnership Team Manager
David Blake, Service Manager – Economic Development & Planning Policy
Henry Primarolo, Assistant Planning Officer

9 Declarations of Interest

None.

10 Public Participation

None.

11 Minutes

RESOLVED: That the minutes of the meeting held on 4th June 2014 be approved as a correct record and signed by the Chairman.

12 Call-In Items

None.

13 Worcestershire Regulatory Services Joint Scrutiny - Report of Task Group

The Committee considered the report of the Joint Task Group and any comments for incorporation into the final report. Bromsgrove District Councillor Rod Laight, the Chairman of the Joint Task Group and Councillor Cronin, the Committee's representative, presented the report. They were supported by Amanda Scarce, Democratic Services Officer, Bromsgrove District Council.

The 11 recommendations contained in the final report were highlighted and members of the Committee were invited to comment on each.

In the ensuing discussion the following main comments were made:

- The need to present performance information relevant to individual partner authorities was highlighted. It was commented that WRS will be expected to provide local information as well as the performance information that is provided to the Joint Committee.
- The Task Group found there to be a limited amount of relevant performance information available prior to the formation of WRS. However, with a tailored ICT system now in place, there is the basis for provision of good quality management and performance information.
- Members commented on the matrix approach to finance based on the "zero based" budget exercise that was undertaken in 2013 and associated findings. In response, it was explained that provision has been made in the City Council budget for savings of approximately £90k to be delivered over the next three years.
- The task group acknowledged that each partner authority is under pressure to achieve budget reductions. WRS provides statutory services and the risks associated with making further cuts were highlighted. The Task Group was concerned that WRS might be faced with further budget cuts and therefore a new business model was being recommended.
- The Joint Committee's decision to proceed with "soft testing" of a potential private sector partnership had been taken after the commencement of the scrutiny review. Reference had been made to this in the report although limited information was available at this stage. The group's main concern was the potential for local authority partners to withdraw from the shared service in the event of this model being adopted.
- The review recognised the need for local authority representatives on the proposed WRS Board to be trained. It is acknowledged that each partner authority has a different political complexion but elected members appointed to the Board would serve a minimum of two years to ensure continuity.
- It was not possible to use comparative data as this is the only shared service of its kind in the UK.

It was explained that the comments from each authority would be added as an addendum to the report, which would be considered by the Shared Service Joint Committee on 2nd October 2014.

RESOLVED: That the Committee comment on the report as follows:

- **In broad terms the Committee support all the recommendations that have been put forward.**
- **The Committee's main concern is in relation to future finance of the service and being bound to a three year commitment. However, it is difficult to comment further until more details of any proposed new business model are forthcoming.**

WCC - OVERVIEW & SCRUTINY
PERFORMANCE BOARD 16 JULY 2014

**Regulatory
Services Joint
Scrutiny: Final
Report**

and approve the joint scrutiny report on Worcestershire Regulatory Services. Councillor Peter Tomlinson (Wychavon District Council), Vice Chair of the Joint Scrutiny Task Group, had been invited to the meeting to present the draft report. The Chairman of the OSPB, Councillor Richard Udall, had also been a member of the task group. Councillor Lucy Hodgson (the County Council's representative on the WRS Joint Committee) and Rachel Hill, Programme Director (BEC) were also in attendance.

Members were reminded that it had recently been agreed as part of the Overview and Scrutiny Work Programme, that the Economy, Environment and Communities O&S Panel would undertake an investigation into the work of Trading Standards in the County.

The Board received a presentation from Cllr Tomlinson on the background to the report. He made the following main points:

- There had been three key principles underpinning the design of the shared service:
 1. Achievement of service improvement and increased effectiveness.
 2. Achievement of greater efficiency, cost savings and return on investment.
 3. Achievement of a greater degree of sharing of resources for service delivery.
- The scrutiny task group saw that the second key principle had been achieved quite spectacularly with the service having saved over £2.5 million since WRS had been set up. It was suggested that this key principle was the one that everyone had concentrated on, perhaps to the detriment of the other two.
- The scrutiny exercise had originally been set up in response to a number of complaints received by councillors from residents, including difficulty getting through to the service, and no response when registering complaints. There was concern that there may have been something fundamentally wrong with the way the service was being run.
- The task group had been informed that the systems of performance information used by the individual councils were all different and it had taken 4 years for good performance information to be available to service managers. The issue of performance management information needed to be sufficiently high up the management agenda.

- Following the identification of a number of issues with access to the service via the Worcestershire Hub, the service had been taken out of the Hub and a new contact centre had been set up. This had led to a discussion of the usefulness of the Hub and it was suggested that the WRS Joint Committee may wish to look into this further.
- It was acknowledged that there was always scope for improvement in the area of communication. However, some partners had been shy of publicising that there was a shared service and there was, perhaps, a need to make this clearer. The service's newsletter offered an opportunity to communicate the substance of WRS more clearly.
- Members were reminded that the Joint Committee was made up of 14 members, two from each participating authority. The Management Board consisted of officer representation, including regulatory services professionals.
- It was acknowledged that all Councils were currently experiencing financial pressures and the effect of these was being felt severely by regulatory services. All elected members were coming under pressure from their own Authority to try to reduce their contribution to the service. There was enormous pressure to reduce the budget and members were being put in a very difficult situation. It was clear that the members on the Joint Committee were split in their view of what their role was. Some felt they were there to fight for their own Authority, whereas others saw their role as to look at the service as a whole. This had resulted in tensions and conflict, and put the Chairman in a very difficult position. The OSPB was reminded that, in the private sector, members of a company board had a specific duty to that company and were required to put the interests of that company first. It was suggested that this would be a good model for elected members to understand and follow. These were important services for the residents of Worcestershire and the possible conflict of interest was an obstacle that should be removed.
- Members were informed that the Worcestershire Chief Executives' group had been working on a new financial model for the service which was based on the idea that WRS was a 'club', which the different Authorities could choose to join for a fee. An Authority could choose to put in more money if it wished to receive an enhanced service. For example, Authorities would be able to

purchase an out of hours service if they wished. It was suggested that this would take some of the pressure off the elected members.

- Recommendation 7 suggested a radical change to the model of governance of the service. A membership of 14 was unwieldy for a Board that was required to make strategic decisions. The recommendation suggested that a new board should be set up, comprising one elected member per partner authority, and meetings should take place at the Worcester headquarters of the WRS. This leaner board would allow members to become better informed and would meet bi-monthly (instead of quarterly as currently). Members should be appointed to serve for two years and the Chairman should be elected annually. There had been a suggestion that the Chairman should be independent as it was difficult for him or her to represent their local authority and the Board at the same time. For example, until recently the Board had been chaired by the County Council representative and she had been put in the difficult position of having to tell the Board that the County Council would be reducing its funding for the service.
- Recommendation 8 suggested that the Management Board should be disbanded as officers often appeared to focus on representing their own local authorities.
- Recommendation 9 sought to make the Head of Service directly accountable to the WRS board as would be the case in a private company.
- The Chief Executives' group, which was meeting at the same time as the scrutiny task group, had also reported to the Joint Committee and had come to conclusions and recommendations that were very different to those of the task group. The scrutiny task group had asked for the Management Board to delay consideration of the Chief Executives' report until after the task group had completed its work.
- Members were informed that everyone who had come to the task group had been open and honest, and extraordinarily helpful, even when there had been differing views.
- It was suggested that a revised structure would allow members to properly examine the performance of the Head of Service.
- Recommendation 10 referred to arrangements for reporting back to partner authorities and the Board was informed that Wychavon's O&S committee

would now be receiving an annual report from WRS. It was suggested that this would enhance the knowledge of elected members who were not involved with WRS.

- Recommendation 11 suggested that the experience of WRS should be taken into account by those setting up other shared service arrangements, and it was likely that there would be more in the future, given the financial situation faced by all local authorities.
- The Board was informed that throughout the scrutiny exercise, attendance by the representative of Wyre Forest District Council had been minimal and this had not helped the scrutiny process. The task group's concerns had recently been reported to WFDC.
- At the beginning of February 2014 the County Council debated whether to withdraw £1.5 million from WRS. The scrutiny task group, knowing what this would do to the service, wrote to the Leader of the County Council 3 weeks before the Council was due to meet to make a final budget decision. No reply was received so a phone call was made to the Leader to chase a response. However, the Leader reported that the original letter had not been received.
- The scrutiny task group asked if an officer from the County Council could come to a task group meeting to answer questions about the budget proposals, as a face to face meeting was felt to be more useful than answers given in written form. However, no one was available to attend. It was suggested that this was discourteous to the scrutiny.
- The effect of the reduction in funding on trading standards was of particular concern as it would result in a reduction from 26 officers to just six. This was also a concern for the Police Service, and the Police and Crime Commissioner.

The Chairman of the OPSB reminded members that the Board was being asked to endorse the joint scrutiny task group's report. The Board also had the opportunity to add other comments if it wished.

He added that he had been embarrassed to be a County Councillor when officers had not been able to attend the scrutiny task group meeting. He asked for the support of the Board to write to the Leader of the County Council to ask for an explanation as to why the letter had gone missing and requesting that officers are made available

to attend future joint scrutiny exercises.

Members were reminded that the Chairs of Worcestershire Overview and Scrutiny Committees used to meet on an ad hoc basis. Recommendation 12 of the joint scrutiny report (that this group should be reinstated as a means of feeding back the monitoring of recommendations from joint scrutiny exercises) would give these meetings a clear purpose.

Councillor Hodgson reminded members that she was no longer the Chair of the Joint Committee and she was attending the OSPB meeting as a County Councillor.

The Programme Director (BEC) informed members that she was no longer a member of the WRS Management Board, but she acted as a sub for the current WCC representative (Andy Baker). She went on to make the following main points:

- The shared service had been set up in 2010 and since that date had seen budget savings and service transformation. However, since 2010 all local authorities had found themselves in a difficult financial position. The County Council had looked at Trading Standards and Animal Health and had drawn up ambitious plans for a significant amount of savings and service improvement. Overheads and fixed costs remained high and this would need to be looked at.
- One option was for regulatory services to look for a strategic partner in order to grow the business and provide greater resilience, and work to identify a suitable partner was ongoing.
- There was a need for the service to be flexible and to recognise that partners were in different positions. The suggestion was that there could be a core service beyond which there would be a degree of flexibility in service provision.
- With reference to officer attendance at the scrutiny task group meeting, she confirmed that she was one of the officers who had been invited. However, although officers would always try to be as flexible as possible, on this occasion they had been offered one date and this happened to be a date when none of the officers were available. The officers had explored alternative arrangements but this had not proved to be possible. A written response to questions had been provided, but she acknowledged that this was not the same as attending in person. On a

personal level, she offered apologies to the task group that she had not been able to attend.

Councillor Hodgson, the County Council's representative on the Joint Committee and the Cabinet Member with Responsibility for this area of work, confirmed that she had until recently been the Chair of the Joint Committee as it was the County Council's turn. She reminded Members that it had been a decision of Cabinet and Council to reduce funding to the service. She believed that she had been able to do what was best for the service.

In response Councillor Tomlinson reminded the Board that the scrutiny task group had felt that Councillor Hodgson had been put in a difficult position. Despite this, she had remained impartial at all times. He suggested that a revised governance structure, as outlined in the scrutiny report, would mean that the service would be more attractive to a potential strategic partner.

Members of the Board were given the opportunity to ask questions and the following main points were raised:

- The suggested improvements to the accountability of the service were welcomed as was the recommendation to move to a smaller, better informed management committee. Better mechanisms for reporting back to partner authorities should also be encouraged.
- [At this point Councillor Duffy had to leave the meeting. However, she wished to record her agreement with the recommendations of the Libraries Scrutiny report (Agenda Item 7) and her support for any move to protect the Library Service.]
- A member reported that he had previously heard a presentation on the Joint Scrutiny report from the Chairman of the scrutiny task group. This presentation had given a different slant on the exercise and the Chairman had stated that 'safety [in Worcestershire] was hanging by a thread'. It was suggested that this was a reference to the proposed reduction in the number of Trading Standards officers from 26 to 6.
- Bringing together different services was not as simple as it may appear, as different services had been operating on different systems. The Joint Committee had been frustrated in its work as a result of not having accurate performance information. In future, performance information

systems should be worked out before bringing services together.

- It was suggested that, given the ongoing reduction in funding from both District and County Councils, it had been a mistake not to put minimum requirements in at the start of the process. In response, Members were reminded that, when the service had been set up, arrangements had to conform to local government regulations and the service had to be set up in a way that was legally acceptable under the Local Government Act. The legality of any new proposals would also need to be considered. In setting up the original arrangements, no one had been able to foresee the financial squeeze that would follow.
- It was suggested that this report was a potential game changer but, to succeed, it would need 'buy in' from all 7 partners at Cabinet/Executive level. A question was asked about whether this was likely to happen. Councillor Tomlinson informed the Board that, in his personal view, the report would be endorsed by the 7 scrutiny committees, but then it would be for the Joint Committee to come to its own conclusions. It was difficult to say whether the decision makers in each partner authority would see this as the way forward or would be concerned that it may cost more money. However, it was suggested that the cost of any partner leaving would be enormous and so there was no going back with the shared service. The report would be considered by the Joint Committee in October and, by then, discussions with a strategic partner might be further down the line. It was suggested that, if all 7 overview and scrutiny committees offered their support, the Joint Committee would have to have very good reasons not to accept the recommendations.
- Concern was expressed that the most important people in each authority, the Cabinet, had been excluded from the governance arrangements and this had led to a level of disengagement from the shared service and an attempt to get away with the bare minimum. It was suggested that a useful learning point from this scrutiny was that, for future shared services, a basic Service Level Agreement should be put in place at the beginning. Concern was expressed at the suggestion that the service was in crisis as, although this was now a shared service, all County Councillors retained responsibility for the service.

- In response, it was suggested that something should have been put in place at the start of the shared service to deal with the issue of future financial pressures. Checks and balances were built into the system but these were not being respected.
- It was suggested that having a quorum of 5 for a body of 7 members was a recipe for disaster. In response, it was suggested that having a high quorum would concentrate the minds of members.
- A question was asked about the proposed out of hours service and whether such a service was practical. It was confirmed that the District Councils could buy into this service but, currently, the majority do not. It was suggested that a full out of hours service would cost more money and require more people, something that was not going to happen. Members were reminded that an out of hours service might simply mean an officer being on call at home to determine whether an issue required an immediate response.
- It was confirmed that the letter to the Leader of the County Council had been sent by post and email and had been copied to the Leader's PA.

The Leader of the Labour Group was invited to address the Board. He made the following main points:

- With reference to all 57 members having responsibility for the service, this was not the case for Labour members as they had opposed the setting up of the shared service from the start.
- It was not possible to undertake any benchmarking as there had been too great a rush to bring the services together in order to save money.
- There was also a lack of succession planning, something that had not been mentioned in the report.
- Before the setting up of the shared service, the local knowledge of the environmental health officers had been invaluable. It was now often the case that officers of WRS were not aware of the history of previous issues.
- It was suggested that there were double standards in setting up a shared service for the whole county and then giving district councils the option of choosing whether to buy in to the out of hours service.
- It was suggested that the foundations of the

service were not secure. Partners could not keep reducing funding and staff, and expect to receive the same service, as the remaining officers would have too much work.

- In response, the Board was reminded that the scrutiny task group had not been able to go back to the beginning as this would be too costly. The group had tried to come up with radical proposals to tackle the problems in a professional way against a background that money was extremely tight. In the end there was a need to produce a report that could be agreed by the whole task group.

The OSPB was informed that an email had been received from Councillor Banks, who been unable to attend the meeting due to illness. This was reported to the Board as follows:

I have read the report particularly for item 6 on today's agenda on WRS Joint Scrutiny Final Report. It is obvious that Peter Tomlinson's committee have worked long and hard and very thoroughly on this and they are to be congratulated on their hard work.

However I believe there ought to be more clarity in the recommendations as to the best way forward. In parts of the report rather disparaging remarks regarding marketing can be seen but business development is something to be commended certainly in my opinion and if the sales base could be increased no doubt that would be no bad thing. There is no conflict of interest here. I am certainly not in agreement with many of the recommendations made under Chapter 3 particularly on Pages 34, 35 & 36.

In summary what I would see as being the best way forward is urgent and meaningful discussions regarding the formation of a strategic partnership with a specialist outside provider. If this could be achieved along the same lines as what has been done with Revs & Bens then we would achieve a number of key objectives:

1. *A much better service to our customers*
2. *An ability to grow the business*
3. *An ability to grow the numbers of staff and also obtain for them better job security*
4. *This arrangement would mean we could monitor via a service level agreement or similar which would be less time consuming, less labour intensive and much more commercial which is*

what we ought to be.

As a Member of the Joint Committee, Councillor Hodgson made the following points:

- With reference to money earmarked for Health and Well Being that had been recently returned to individual councils, the Board was informed that this was not felt to be part of the core work of WRS and other agencies were carrying out this work more successfully.
- It was confirmed that a newsletter was regularly produced and was circulated to all Members.
- It had been much more difficult to bring together 7 services than anyone had thought. Performance data was now available on the Members' intranet page.
- Agendas and minutes of all meetings would soon be available on the County Council website and meetings would be listed on the meetings list at County Hall.
- A question was asked about when the portfolio holder would have told the Council about the issues with the shared service if this scrutiny exercise had not been undertaken. She confirmed that issues had been raised through the budget process, performance information was available and the service had been vigorously scrutinised by the Joint Committee and via meetings with the Head of Service. She disagreed that there was a sense of crisis in the service.
- Councillor Hodgson was asked to further clarify how she reported back to the County Council from meetings of the Joint Committee. She confirmed that there was no formal mechanism for reporting back. However, she had requested that, in the interests of transparency, the Head of Service briefed members on progress towards a strategic partnership. It was suggested that there was a need to consider the County Council's mechanism for reporting back from the Joint Committee.

The OSPB agreed that it would wish to:

- endorse the Worcestershire Regulatory Services Joint Scrutiny report;
- write to the Leader of the County Council asking for an explanation of why the joint scrutiny task group's letter went missing;

Wychavon District Council

Minutes of A Meeting of the Overview and Scrutiny Committee Held In The Council Chamber, Civic Centre, Queen Elizabeth Drive, Pershore On Tuesday, 17 June 2014 Commencing At 6.15 p.m.

Present: Councillor G O'Donnell – Chairman
Councillor A A J Adams – Vice-Chairman

Members:-

Councillors:-

G Beale
B Brookes
N J Dowty

C D Homer
Mrs F S Smith
P Tomlinson

C G J Tucker
Mrs V A Wood

Executive Board

Members:-

Councillors:-

R Davis
R J Morris

P Middlebrough
Mrs J A Pearce

Mrs E K Stokes

Non-Members:-

Councillors:-

D Brotheridge
A L Dyke

A P Miller

Mrs E B Tucker

1. Apologies for Absence and Notification of Substitutes

Apologies for absence were received from Councillor P Pinfield.

2. Declarations of Interests

There were no declarations of interest.

3. Minutes of Previous Meeting

Resolved

That the Minutes of the meeting of the Committee held on 6 May 2014 be approved as a correct record and signed by the Chairman.

4. Questions from Members of the Public

There were no questions received from members of the public.

5. **Calendar of Meetings 2014/15**

The Committee was requested to approve its Calendar of Meetings for 2014/15.

Resolved

That the following Calendar of Meetings for 2014/15 be approved:-

15 July 2014
16 September 2014
28 October 2014
9 December 2014
20 January 2015
10 , 17 or 24 February 2015 (TBC)
14 April 2015

6. **Worcestershire Regulatory Services Joint Scrutiny Team Final Report**

Councillor P Tomlinson, gave a presentation to the Committee on the findings of the Joint Worcestershire Regulatory Service Scrutiny Task Group, taking Members through each of the Group's recommendations one by one while explaining the rationale behind them.

The Committee noted that the Joint Task Group had found that, of the three key principles underpinning the design of Worcestershire Regulatory Services (WRS), the pursuit of the achievement of greater efficiency, cost savings and return on partners investment had been pursued at the detriment to the other key principles – achievement of service improvement and increased effectiveness and the achievement of a greater degree of sharing of resources for service delivery.

It was confirmed that since WRS had commenced in 2010, £2.5m had been saved when compared to the pooled budgets of the partner authorities on providing the services themselves, with the number of staff reducing from 154 FTE (Full Time Equivalent) to the current level of 99.5 FTE of which three posts were externally funded.

Members were informed that with regard to evidence gathering the Joint Task Group had been pleased with the response it had received from both Members and Officers requested as witnesses, with the vast majority being very accommodating and open. However, Councillor Tomlinson was disappointed to report that during the course of the review representatives sought from Worcestershire County Council did not make themselves available to meet with the Joint Task Group and that their written responses in relation to questions posed by the Joint Task Group were inadequate.

The Committee thanked Councillor Tomlinson for his informative presentation and the hard work he and other Members of the Joint Task Group had undertaken on behalf of the Committee.

The Chairman noted that a number of the Group's recommendations had resource implications requiring additional Officer time and queried whether this

had been taken into consideration by the Group. Councillor Tomlinson confirmed that this had been considered by the Group and that it was felt that the additional resources required would be offset by the Officer time freed up by the removal of the Management Board.

The Committee sought clarification as to the process for the approval of the Group's recommendations and the consequences if partner authorities did not agree them.

It was confirmed that Group's report would be considered by each participating authority's Overview and Scrutiny Committee, before being presented to the Worcestershire Shared Services Joint Committee in October. Any appropriate recommendations would then be considered by each Council's Executive. It was noted that there was a risk that the Group's recommendations would receive differing levels of support from different authorities.

The Committee unanimously

Resolved

That the recommendations set out below from the Joint Worcestershire Regulatory Services Scrutiny Task Group be endorsed:

1. That Performance Management Information should continue to be made available for Members' consideration at every meeting of the Joint Committee and be sufficiently high on the agenda to be discussed in detail.
2. Twelve months after the new contact centre arrangements for Worcestershire Regulatory Services have been introduced, replacing the use of the Worcestershire Hub, the Joint Committee should review the effectiveness of these arrangements for communicating with the public.
3. That the web-pages of each partner authority should be regularly monitored to ensure they are kept up to date, with the inclusion of a prominent and obvious link to the WRS website.
4. The purpose, content and circulation of the WRS newsletter should be thoroughly reviewed, with a view to it providing a more systematic and comprehensive account of the work and performance of the shared service, and with the content and format being agreed by the Joint Committee.
5. That Worcestershire Regulatory Services have a designated member of staff to act as a Member Liaison Officer and as a single point of contact to signpost Member enquiries.
6. That in order to reduce the focus on financial considerations which currently play a major part in influencing partner participation, to the detriment of other equally important aspects of the service, the following should be addressed:
 - (a) A new business model for Worcestershire Regulatory Services be developed through the Chief Executives' Panel, building on the proposals already being produced by the Panel.

- (b) Consideration be given to the option for partner authorities to purchase an "out of hours service".
7. A new strategic decision making board for WRS should replace the Joint Committee, comprising one elected member per partner authority and supported by senior officers. This should be called the WRS Board.
- (a) Meetings of this Board should take place at the base of WRS.
 - (b) Responsibility for attendance at Board meetings should lie with each authority's representative, and the quorum for meetings proceeding should be set at five representatives in attendance.
 - (c) Meetings of the Board should take place bi-monthly.
 - (d) Elected members appointed to the Board should be provided with an induction programme and sufficient ongoing training to enable them to fulfil their role effectively.
 - (e) Members appointed to the Board be expected to serve a minimum of two years to ensure continuity.
 - (f) The Chair of the Worcestershire Regulatory Services Board should be elected annually by the members of the Board.
8. The Management Board be disbanded, with the Worcestershire Regulatory Services Management Team taking the lead responsibility for operational decision making under the leadership of the Head of Regulatory Services.
9. (a) The Head of WRS should be fully accountable to the WRS Board (as the strategic decision making body).
- (b) The Chief Executive of the host authority to act in a mentoring role as and when necessary.
10. (a) All decisions made by the WRS Board be formally reported back to all elected members of the partner authorities in a timely manner.
- (b) Attention should be paid to communicating updates about any planned changes to WRS services to all elected members of partner authorities.
 - (c) The agendas and minutes of all WRS Board meetings should also be uploaded on to the WRS website in a timely fashion.
11. The lessons learned from the Worcestershire Regulatory Services shared service experience, particularly as detailed in this report, should be heeded by elected members and senior officers when considering any future proposals for shared service arrangements involving multiple partners.

12. (a) The Joint Scrutiny Protocol should be reviewed in order to take on board the lessons learned during this review.
- (b) Consideration should be given to the reinstatement of the Worcestershire Overview and Scrutiny Chairs Group as a means of feeding back the monitoring of recommendations from Joint Scrutiny exercises, as and when required.

7. **Q4 2013/14 Signals of Success - Performance Report**

Jack Hegarty, Managing Director, introduced the Q4 2013/14 Signals of Success – Performance Report to the Committee. Each section of the report was outlined to Members with the key performance issues and successes highlighted.

The Committee sought clarification about the satisfaction levels with keeping land clear of litter and refuse, as it was reported that the Council had failed to meet a key measure relating to this, while further into the report it was stated that the Council had maintained its satisfaction levels.

Phil Merrick, Head of Community Services, confirmed that satisfaction with the service had not declined but that the target set for improving customer satisfaction had not been achieved.

The Committee discussed the performance of the Planning Service noting that only 51% of major applications had been determined within the 13 week target, compared to the Council's target of 70%. Councillor Mrs J A Pearce, Executive Board Member for Planning, Infrastructure and Housing, informed Members that performance would increase once agreed negotiations with applicants to go beyond the 13 week deadline to enable the best outcome possible, were not included within the statistics provided.

Councillor Mrs F Smith queried why the Council was monitoring the percentage of children aged four to five (reception year) that were obese, and how the Council can reduce this figure. She was concerned that this duplicated the role of other bodies such as the NHS and the County Council.

The Managing Director informed Members that the Government expected all public bodies to contribute to the health agenda and that the Council had facilities that could help impact on the areas highlighted such as leisure centres.

Councillor C G J Tucker, Strong Environment Champion, was concerned that there had been a 5kg increase per household of waste going to landfill when compared with the same quarter for the previous year. The Head of Community Services confirmed that a recycling review report would be going to the Executive Board which would cover this issue. Members were also made aware that currently street cleaning waste was incorporated into the figure for household waste going to landfill but would not in future and so the Council's performance would benefit from this change.

The Vice-Chairman requested that clarification be sought for the performance figures relating to Worcestershire Regulatory Services, specifically point 6 - % of vehicles found to be defective whilst in service, as the percentage figure provided

WYRE FOREST DISTRICT COUNCIL

SPECIAL OVERVIEW & SCRUTINY COMMITTEE

23RD JULY 2014

DRAFT MINUTE EXTRACT

Joint Worcestershire Regulatory Services Task Group – Final Report

The Committee considered the final report from the Joint Worcestershire Regulatory Services Task Group. Members received a comprehensive presentation from the Chair and Vice Chair of the group at the meeting of the Overview and Scrutiny Committee on 3rd July 2014, where the item was deferred for further consideration by Members.

The Director of Economic Prosperity and Place led Members through a general briefing note on Worcestershire Regulatory Services (WRS), which had been circulated prior to the meeting. Members were advised WRS was a shared service of Worcestershire County Council and the six District Councils which was formed on 1st June 2010, and is hosted by Bromsgrove District Council.

Councillor H E Dyke clarified the issues raised regarding the Council's attendance record of the task group meetings. A request had been made by Councillor Dyke to amend the draft terms of reference to include a nominated member, as it was proposed the membership of the group should consist of the Chair or Vice Chair of each authorities Scrutiny Committee. Councillor Dyke had raised concerns at the outset that she may find it difficult to attend due to work and commitments, however the request was declined.

The Committee discussed each of the task group's recommendations in turn, and agreed the following:

- **Recommendation 1 – agreed.**
- **Recommendation 2 – agreed.**
- **Recommendation 3 – agreed.**
- **Recommendation 4 – agreed.**
- **Recommendation 5 – agreed, with a proposal to review the effectiveness of the post in 12 months time.**
- **Recommendation 6 a – agreed.**
- **Recommendation 6b – rejected until further information is provided.**
- **Recommendation 7 – rejected as no clear reason to change current arrangements.**
- **Recommendation 8 – rejected.**
- **Recommendation 9 – rejected.**
- **Recommendation 10a, b & c – agreed, subject to substituting 'WRS Board' for 'Joint Committee'.**
- **Recommendation 11 – agreed.**
- **Recommendation 12a – agreed.**
- **Recommendation 12b – rejected, the group proved to be ineffective in the past due to the difficulty in arranging meetings.**