

## BROMSGROVE DISTRICT COUNCIL

# CABINET

01 July 2015

### Future Arrangements for Worcestershire Shared Services Joint Committee and Worcestershire Regulatory Services

Relevant Portfolio Holder	Cllr Whittaker
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering Director of Finance and Resources
Wards Affected	<b>All</b>
Ward Councillor Consulted	N/A

#### **1. SUMMARY OF PROPOSALS**

- 1.1 Worcestershire Regulatory Services (WRS) is the shared service for Environmental Health, Licensing and Trading Standards that was set up in 2010. The participating authorities are Worcestershire County Council and the six Worcestershire District Councils. Bromsgrove District Council is the host authority with responsibility for employing the staff, and providing financial and legal support to the service.
- 1.2 This report sets out proposals for changes to the partnership to come into effect in April 2016 and changes to the management structure which will be implemented straight away. Members are asked to note that the recommendations on which this report is based will not be considered by the Worcestershire Regulatory Services Joint Committee until it meets on 25<sup>th</sup> June 2015. This report is therefore being prepared in advance of that meeting and if there is any deviation to the recommendations members will be notified by an update report or through a verbal update at Cabinet on 1<sup>st</sup> July.

#### **2. RECOMMENDATIONS**

- 2.1 That Cabinet note the contents of this report.
- 2.2 That Cabinet recommend to Full Council:-
- 2.2.1 That the current Worcestershire Shared Services Partnership is dissolved by mutual agreement on 31 March 2016;
- 2.2.2 That a new Worcestershire Shared Services Partnership comprising of the six district councils is created on 01 April 2016 in accordance with the terms set out in Appendix 2 to this report;
- 2.2.3 That the new Worcestershire Shared Services Partnership enter into a service level agreement with Worcestershire County Council for the provision of trading standards services in

accordance with terms to be agreed by the Acting Head of Worcestershire Regulatory Services;

2.2.4 That all existing contracts and service level agreements between the existing Worcestershire Shared Services Partnership and other local authorities are novated to the new Worcestershire Shared Services Partnership;

2.2.5 That the new management structure for WRS set out in Appendix 3 to this report is approved for consultation with staff and recognised trade unions;

2.2.6 That authority be delegated to the Acting Head of WRS following staff and union consultation, and having consulted with the Chair of the Joint Committee, to finalise the future management structure and undertake recruitment in accordance with the terms set out in the Worcestershire Shared Services Partnership Agreement.

### **3. KEY ISSUES**

#### **Financial Implications**

3.1 As Members are aware significant efficiency savings have been realised over the period that the shared service has been in operation. The initial budget allocation for Bromsgrove in 2009/10 was £875k which has been reduced through efficiencies and alternative ways of working to £489k for 2014/15. In addition any annual savings from the service have been returned to the partner Councils.

3.2 With the increasing challenge on local Government finances the County Council has identified significant reductions in their trading standards budget allocation to just under £450k in 2016/17. To enable the individual partner Councils to be protected from the pressure and risks of such significant reductions it was agreed by the Joint Committee that a new model of partnership would be created with the County entering into a service level agreement with WRS for the provision on trading standards services.

3.3 The 3 year financial envelope for Regulatory Services has been agreed and is in line with the levels included in the Bromsgrove Council Medium Term Financial Plan. The proposals recommended within this report will not result in additional costs to this Council.

**Legal Implications**

- 3.3 As set out in the legal implications section of the report at Appendix 1, the recommendations in this report have significant legal implications. The existing shared services partnership will be dissolved and a new one created. However, the current proven model of operating through a joint committee will continue, and the existing Shared Services Partnership Agreement can be updated and adopted to reflect the requirements of the new shared service.
- 3.4 Bromsgrove District Council will continue to act as the host authority for WRS. Although the number of partners is reducing by one, there will not be any changes to the legal principles upon which BDC has been acting as host since 2010. WRS cannot enter into contracts in its own right because it is not a “legal entity”. Accordingly the practice of BDC being the contracting party on behalf of WRS will continue. BDC will continue to be the employing authority and to provide certain support services.

**Service / Operational Implications**

**Background**

- 3.5 The shared service for WRS in its current format has been in place since June 2010. The governance arrangements are based on a Joint Committee on which two representatives of each of the participating Councils sit. Alongside this there is a management board made up of the Head of Service, senior managers from WRS and officer representatives of the partner authorities. The partner authorities entered into an agreement in 2010 to govern the running of the service and this is referred to as the Worcestershire Shared Services Partnership Agreement. BDC is the host authority for the service.
- 3.6 The shared service has been successful in bringing together the three disciplines of environmental health, licensing and trading standards and delivering these through shared teams across the County. Through transformation and economies from shared working the partner authorities have been able to make significant savings and reduce the overall costs of providing these services to each individual council. Although previously based at Wyatt House in Worcester, WRS relocated in March 2015 to new offices Wyre Forest House in Kidderminster.

## **CABINET**

**01 July 2015**

---

3.7 In light of reductions to the budgets for local authorities the partners have looked to explore the options for further reducing the costs of the service. In late 2013 the joint committee agreed to pursue the option of seeking a strategic partner to work with from either the public or private sector. A procurement exercise was undertaken but ultimately this was not successful. At the same time further work had been undertaken by WRS to look at how the service can be re-aligned to better meet the requirements of the partner authorities going forward. The proposals for the future arrangements are due to be considered at the meeting of the Joint Committee on 25<sup>th</sup> June 2015, and a copy of the report written by the Acting Head of Service is attached at Appendix 1. The report outlines the proposed changes to the shared service and at the meeting on 25<sup>th</sup> June the Joint Committee will be asked to endorse the recommendations and refer them to the individual member authorities for approval.

### Key proposals

3.8 Members are referred to the detail set out in the report at Appendix 1 but to summarise the key points are as follows:-

- That the partners agree to dissolve the current partnership by mutual agreement from 31<sup>st</sup> March 2016.
- That a new partnership be created with effect from 1<sup>st</sup> April 2016 to include the six district councils with the County Council no longer being a partner.
- That the County Council will continue to receive services related to its Trading Standards functions from 1<sup>st</sup> April 2016 but that this will be under a contractual arrangement secured by a service level agreement.
- That the new partnership agreement will include a requirement that any partner unable or unwilling to maintain it's service levels and financial contributions at or near to other partners exit the partnership with the option to continue to receive services under a service level agreement on "at-cost" terms.
- That the WRS Management Board be deleted.
- That from April 2016 membership on the Joint Committee be reduced to one member per authority (with arrangements for named substitutes).
- That Bromsgrove will remain as the host authority and the partnership agreement will be updated in relation to BDCs role in entering into contracts and service level agreements with public bodies on behalf of the partner authorities.

### WRS Senior Management Structure

## **CABINET**

**01 July 2015**

---

- 3.9 Following reductions of the number of staff working within WRS it is felt that it is no longer appropriate to operate a three-tiered management structure. As outlined in Appendix 1 given the changes to the delivery of services to the County Council it is also felt that an individual team manager for Trading Standards will no longer be required, and this role can be amalgamated with the workload of the Environmental Health Manager. The existing structure and proposed new structure are set out in Appendix 3 to this report. It is proposed that the new structure be approved by members following which consultation will take place and then recruitment will commence. In other words this element will not be left until March 2016 and will be brought into effect sooner based on the relevant statutory timescales for consultation and recruitment. It should be noted that it will be necessary to act on this element sooner in order to comply with the budget for WRS for 15/16 which has already been put in place by members. It is also hoped that implementing the changes now will allow the senior management structure to be in place in advance of the changes to the partnership in March/ April 2016.

### **Customer / Equalities and Diversity Implications**

- 3.10 Although changes are being made to the management structure and governance arrangements it is not anticipated that there will be a noticeable impact on delivery of services to the customer in relation to those District Council functions which WRS delivers on behalf of Bromsgrove. The reduction of the number of partners to six and the changes to the governance arrangements should allow for the partnership to be more flexible and responsive going forward.

## **4. RISK MANAGEMENT**

- 4.1 Members are referred to the risk section of the Joint Committee report at Appendix 1.

## **5. APPENDICES**

Appendix 1 – Worcestershire Regulatory Services Joint Committee Report 25 June 2015: Future arrangements for Worcestershire Shared Services Joint Committee

Appendix 2 – Proposed amendments, additions and deletions to the Worcestershire Shared Services Partnership Agreement 2010

Appendix 3 – Current and Proposed management Structure

## **6. BACKGROUND PAPERS**

# **CABINET**

**01 July 2015**

---

*‘Creating and delivering a sustainable regulatory partnership for Worcestershire’ – report of Chair of WRS Management Board – Worcestershire Shared Services Joint Committee – 19 February 2015  
‘Business Plan for Worcestershire Regulatory Services 2015-2018’*

Worcestershire Shared Services Partnership Agreement 1 June 2010

Worcestershire LEP letter of response to consultation on proposed changes to WRS Partnership - 17 April 2015

Better Regulation Delivery Office email response to consultation on proposed changes to WRS Partnership - 8 April 2015

**7. KEY**

N/A

**AUTHORS OF REPORT**

Name: Jayne Pickering – Director of Finance and Resources  
E Mail: j.pickering@bromsgroveandredditch .gov.uk  
Tel: 01527 881207

Name: Sarah Sellers - Principal Solicitor  
E Mail: s.sellers@bromsgroveandredditch .gov.uk  
Tel: 01527 881397