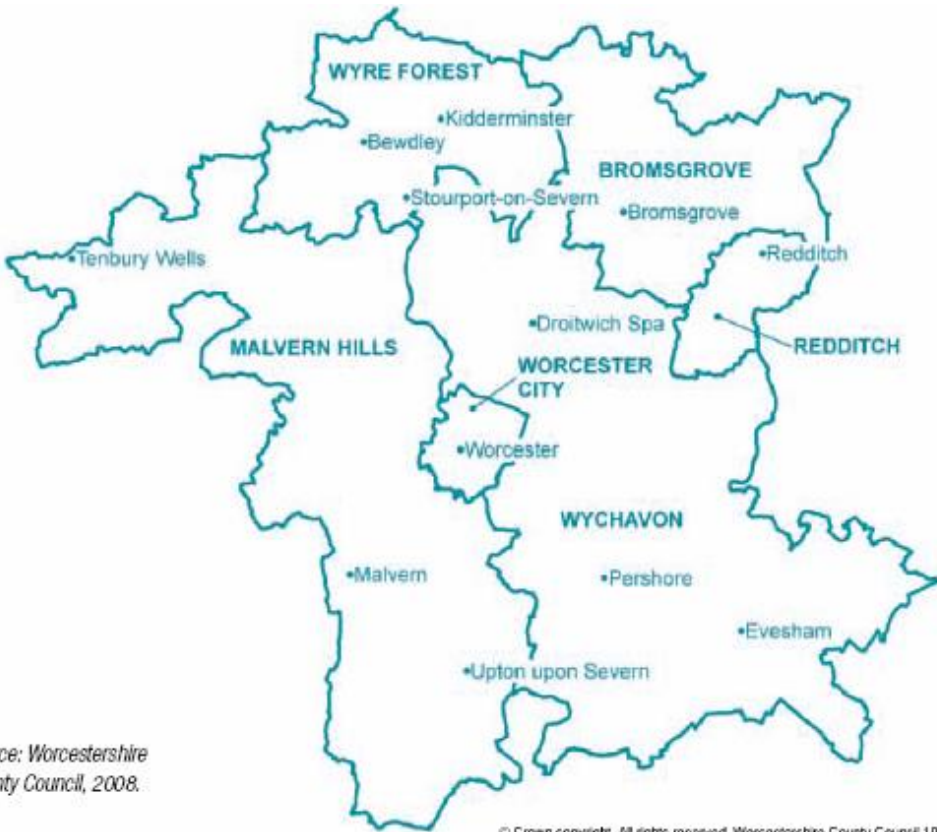


Business Plan for Worcestershire Regulatory Services

2017-2020



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“A Local Government Solution to Local Government Challenges “

Contents

Heading	Page
Executive Summary	
1. Introduction	
2. Business Planning & Savings Realisation	
3. Income Generation to meet the budget envelope 2017-20	
4. Organisation and Performance	
5. Workforce & Workforce Planning	
6. Evolution of the Business Model & Risk	
Appendices:	
A: Current WRS structure & possible future structure	
B: 3 year budgets	
C: Risk Register	
D: Performance Indicators	

Executive Summary

Worcestershire Regulatory Services (WRS) has a history of delivering savings whilst continuing to deliver high quality service and remains a strong solution to the delivery of local authority regulatory responsibilities. It delivered above and beyond its original business case by saving over 17.5% whilst maintaining service outcomes. Spending on these aspects of regulation within the County has fallen from £7.15M at the birth of WRS to just under £3.5M by the end of 2016/17. In 2009/10, the district councils' combined contribution was around £5M. At £3.025M by 2016/17, this had fallen by 40%, yet outcomes within Environmental Health and Licensing remain good and performance, in terms of customer satisfaction and business compliance, remain high.

Currently there is no expected additional financial savings for the following 3 years from any of the partner authorities, however, with the announcement in the Chancellor's Autumn 2016 Statement, the 4-year settlements agreed by partners and the subsequent changes around 'New Homes Bonus' and other district income streams, we understand that these may well be subject to change.

Whilst there are always small, marginal efficiency savings to be had, without a change in the paradigm for regulation, based around inspection, advice and investigation, further savings will be limited in the future and are unlikely to be at cashable levels. WRS is already an efficient well run organisation which offers excellent value for money, as pointed out by the potential private partners to our Strategic Partnering offer. They were also clear that the derivable margins in delivering regulatory service elements are small and unlikely to be hugely profitable. The benefits would come from, offering our services to other local authorities and expanding the footprint for WRS delivery as this would undoubtedly add to the resilience of the service for partners and new customers alike, and almost certainly help spread overhead costs further, with small margins being re-invested to support service delivery.

Going forward WRS will offer flexibility, in terms of its ability to respond to the wide range of changing partner needs and any changes to the operating environment, including its ability to respond to emergencies. Service levels will be tailored to individual partner budget envelopes where operating models and economies of scale permit, using time recording as an indicator of demand, within a wider framework of common delivery standards. The Service will offer its services more widely to other local authorities, seeking to build on the economies of scale created by the formation of WRS, maintaining resilience for existing partners and offering a flexible cost-effective service to potential new customers that a single district council could not achieve on its own in the current economic climate.

The market has concluded that Regulatory Services is not a saleable commodity, and private sector service providers will now only take these services on if bundled with a range of others. This should add to the attractiveness of WRS as an option for others to consider as a vehicle for the delivery of these statutory functions; one that does not rely on the private sector and can be achieved outside the need to bundle it with other local authority functions with more commercial elements.

The shared service vehicle developed by the Worcestershire local authorities remains fit for purpose as a service delivery option for the next 3 years but there will be challenges for partners in agreeing budgets beyond 2017/18. The service has already demonstrated its flexibility by being able to accommodate variations in service delivery for its existing partners. Its delivery model that mixes geographically focused and centralised functions offers an expandable platform that could encompass either the delivery of individual service elements or whole regulatory type services under contract for new local authority customers. With this in mind WRS remains the right local government solution to local government challenges in the regulatory environment.

Simon Wilkes

Head of Regulatory Services

February 2017

1. Introduction

This plan outlines how Worcestershire Regulatory Services will develop over the next 3 years to enable the service to:

- Respond to the financial pressures faced by each partner
- Accommodate service variations by developing the ability to use time recording as a reliable indicator of demand
- Modify financial arrangements to avoid cross subsidy between functionality and partners,
- Continue to provide a core level of service that meets partner's statutory obligations and, offer the option to fund a higher level of service in all functional areas.
- Maintain sufficient expertise to provide resilience, beyond the financial envelope envisaged by partners through income generating activities.
- Continue with high levels of performance

The plan provides partners with a clear and deliverable way to continue to tackle the issues outlined above in a logical and cost effective way. It will mean some changes to the look of the service and to what and how certain elements are delivered but partners must accept that all but marginal efficiencies are exhausted within the existing operational paradigm for regulation and the delivery of further significant savings can only be based in mutually agreed changes in service levels.

WRS will meet the cost envelope indicated by partners by:

- Seeking further efficiencies where possible, especially in relation to using digital channels for access
- Whenever possible, continuing to develop new ways of working (streamlining processes and continue to innovate, first point of contact, etc.)
- Seek income by doing work for others and obtaining grant income for defined projects.

The Strategic Partnering process demonstrated how lean the WRS organisation already was. The levels of efficiency achieved should be a great selling point that will allow us to take on service delivery for other local authorities in those functional areas we already cover and potentially others that are aligned e.g. EH Private Sector Housing, Enviro-crime enforcement.

Following the announcements in the Autumn statement and subsequent changes to funding streams, many district councils will be looking for different ways of delivering services at a lower price, which is where WRS comes into its own as an existing, experienced local authority body with the knowledge, experience and scale to take on these technically difficult functions, offering flexible delivery both locally and remotely using our mix of geographically based and central delivery units. On-going discussions with partners around the opportunities for opening up the partnership to new members could be a key aspect of the income strategy going forward, not previously identified in other plans.

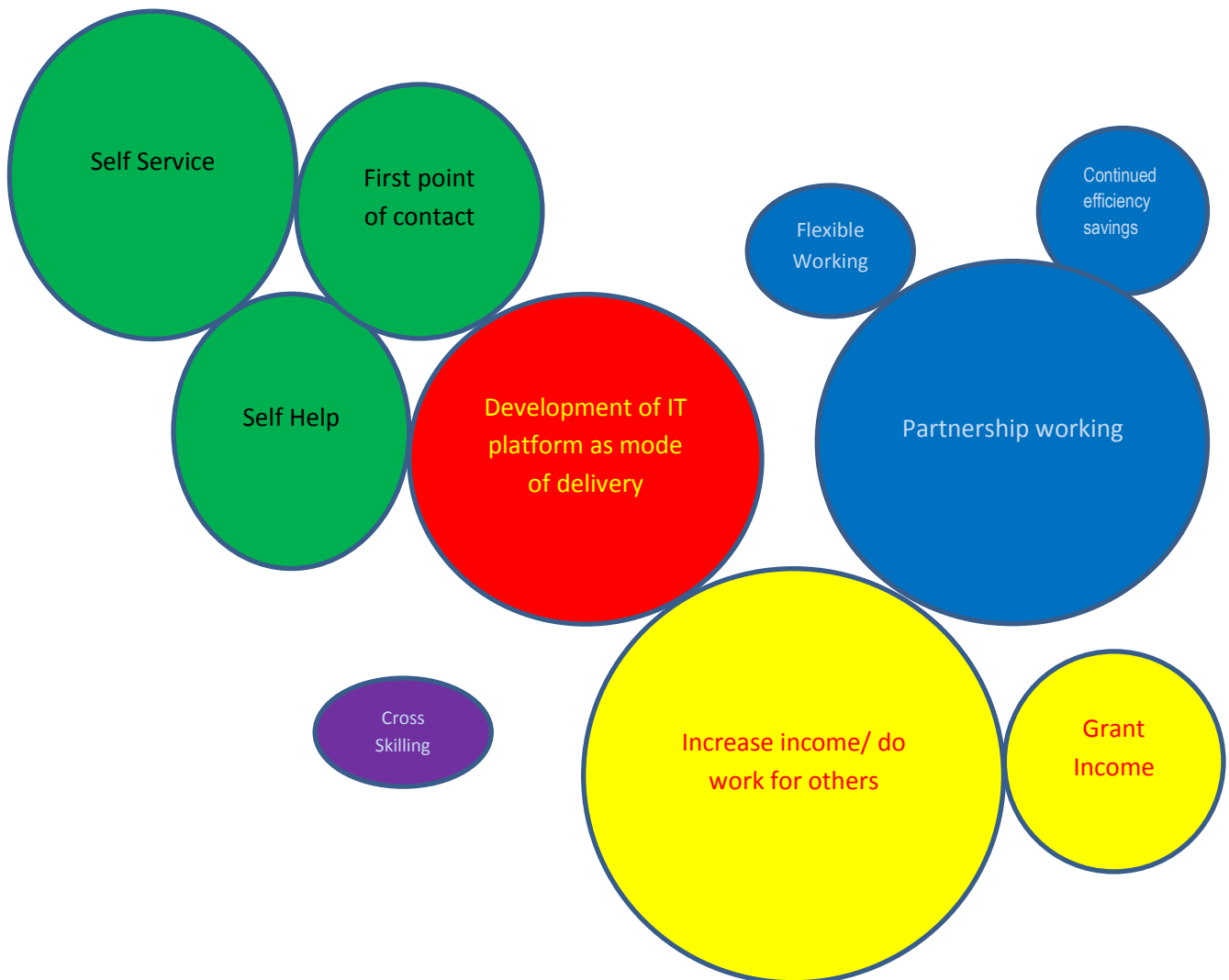
Worcestershire Regulatory Services is the local government solution to local government challenges in the regulatory environment.

2. Business Planning & Savings Realisation

2.1 Picture of the plan

The Business Plan remains a high level strategic document that outlines the framework within which the service will build and develop. The diagram below has been updated so that it can continue to illustrate the directions in which the service has and will continue to develop for the foreseeable future.

Fig 1: Size of bubble reflects potential contribution and/ or ease of introduction. Colours indicate work streams



The figure above outlines in a graphic format, the areas of work where the business will focus its efforts. These are:

- I) **Generating streams of income (grants, work for others, paid advice, etc.)**
- II) **On-going implement new ways of working (self-help, first point of contact, self service)**
- III) **Maintaining and creating new efficiencies through wider partnership working**

These three streams are all predicated on the successful development of the fourth:

- IV) **Continued development of a suitable digital front door linking directly to our IT platform**

Cross skilling within the professions was the key to improving efficiency as opposed to the creation of generic regulatory officers and we will build on this going forward so our officers can take on a wider range of work.

2.2 The Savings Picture

The current situation in relation to partner financial savings requirements is that there are no additional savings envisaged for the next three years. We appreciate that this could be subject to change particularly in light of the Autumn Statement and the proposed changes to Council funding streams with reliance on Business Rates and Council tax plus other local income streams, which introduces some serious uncertainties and potential risks.

The budget picture at Appendix B also demonstrates that, even without accounting for inflationary pressures, there are salary and pension related pressures that will cause an increase in budgetary pressures over the next three years of the business plan, which continue beyond into the 2020s. As a consequence this means there will be a reduction in the WRS budget for each year.

3. Income Generation to meet the budget envelope 2017-2020

3.1 Current Market for Local Authority Regulatory Services as a potential source of income generation

It is clear that the private sector will now only consider taking on regulatory functions if they are bundled with other groups of services. Should our partners consider entering this market in some way to offer services to other local authorities, WRS would be well placed to support any commercial activity that partners choose to undertake. The demise of Shropshire's Teckal company from which it purchased various services including regulatory ones should also be a salutary lesson to local authorities that the private sector is not the right option for all functions.

The sharing of services remains a developing area for Regulatory Services delivery. Three unitary authorities in South Wales now have a fully shared regulatory service. A number of London Boroughs are using the model for Trading Standards. A number of the unitary authorities in Berkshire are building on the collaboration between Wokingham and West Berkshire for a range of regulatory activities. Devon and Somerset County Councils have been operating a shared Trading Standards service for some time now and Buckinghamshire and Surrey County Councils have followed suit successfully. We also have the 2020 partnership driven by West Oxfordshire District, Cotswold District and latterly the Forest of Dean District Councils with whom we are competing for business. Having said that, we have also seen the ending of the Warrington BC/ Halton BC shared Trading Standards service relationship so it remains essential that shared services are able to respond to the needs of their partners' economic and political factors.

Those authorities not considering these options, district councils in particular, continue to require experienced staffing resource that they struggle to retain themselves, mainly focused in specialist areas such as Air Quality, Contaminated Land and for the wider support of planning consultation. These are all areas where WRS has significant local and even national expertise. WRS is already providing cover activity for these services to a number of councils so is well placed to continue to bid for a range of opportunities should they arise. At the time of writing, WRS is carrying out work for other districts/organisations in the following functional areas:

- Dog warden services
- Air quality
- Industrial Pollution Control
- Contaminated Land
- Planning Consultation advice

Having said this, WRS has reached a point where it is turning away work in these areas as its current capacity is insufficient, so invest to save business cases will need to be considered during 2017/18 if we are to build more saleable capacity within these teams.

Looking at these above options, the obvious area for WRS focus is the cover for district council activity and, in the medium to longer term, bidding for district council grouped regulatory contracts. Our experience with competing for Stratford on Avon Borough Council's Environmental Health work would indicate that an option to join a partnership is likely to be looked on more favourably than a purely commercial relationship. Even our elected members of the Joint Board admitted that, all things being equal, they would consider partnership as a better vehicle than a contract were they in the same position as Stratford's members. With this in mind, a key part of this plan for WRS Managers will be to develop a strategy that could, whilst protecting and recognising to some extent the investment made by existing partners, give the potential for other Councils to join the partnership and share in the future success of WRS.

With the County Council's departure from the partnership, WRS is unlikely to succeed in bidding alone for Trading Standards work should it arise, however the County Council's officers are clear that they would welcome the opportunity of working together with WRS managers and Board to secure such opportunities to the benefit of the Districts and the County.

3.2 Other Public Sector Income

The service will continue to look at the potential for grant money from other public bodies to deliver related work. On-going austerity measures are likely to limit the availability of funding from other public sector bodies and, currently there are limited areas for the service to access grants. This may widen in the future, and even now includes:

- Local Enterprise Partnerships
- The Police & Crime Commissioner
- Community Safety Partnerships
- Local Authority Public Health
- Central Government Departments (BIS, Food Standards Agency, etc.)

The Worcestershire LEP continues to work closely with WRS and supports activities around Better Business for All and those around strategic business sectors like Agriculture and Horticulture. We will look to build on this relationship going forward.

Health and Well-being project work continues using external income sources, supplemented by a small residue of specific grant income. This work will continue year on year as long as it is sustainable through cost recovery. The Healthy Eating Award programme was developed in this way, but this will also enable some efficiencies to be developed within the food hygiene sector by encouraging 4-star and 5-star businesses to maintain their hygiene standards, reducing the need for routine interventions by food officers. Hence, the right kind of health and well-being interventions can also provide benefits to those statutory areas.

3.3 Commercial income generation opportunities

The report commissioned by WRS through the County Council Research and Intelligence team showed that, whilst businesses do spend a significant amount of money with private consultants, most of this was in the area of Health and Safety at Work which is already a well-served market. It is probably worth revisiting this piece of work given the time elapsed to see if there have been any changes to business's attitude to paying for advice from local regulators. Whilst the legal advice provided to WRS made it clear that there were risks associated with charging regimes where the advisor might, at some point, have to become the enforcer with the same business, there ought to be ways of overcoming these issues.

Business advice for District Council functions remains available free of charge unless partners decide to change this policy. The service will offer training to businesses in areas like Food Hygiene and, again, we will seek to use this as an income generation platform to off-set costs. Licensing training may also be an area for consideration, particularly outside of Worcestershire, to avoid conflict of interest allegations.

Another area of income yet to be tapped into is pre-application advice for planning and licensing services. Partner planning services already charge for this but without reference to the cost that this can impose on WRS in terms of our staff attending meetings and providing advice. We will seek to address this area in consultation with planning colleagues.

A similar approach could be developed for some areas of licensing, however, consideration would need to be given as to how the service would separate such advisory activity from its delegated decision making functions to avoid any perceived conflicts of interest.

The service continues to expand its Primary Authority work as a means of recovering cost but this does have some limitations, especially the fact that it can only be a full cost recovery operation. Work with the Bangladeshi Catering Association on improving the performance of businesses in Worcestershire sparked their interest in a potential Primary Authority arrangement and a number of other local businesses have signed up during 2015/16. However, it needs to be

recognised that, up and down the Country, Primary Authority is only delivering income sufficient to support relatively small numbers of posts within services and it will never be a substitute for local authority funds.

These factors have been recognised and, whilst the service will seek to develop paid for business advice as part of its income generation strategy, even with recent widening of what business types can have a Primary Authority it has been recognised that this income stream will be limited and that the service must avoid any allegations of conflicts of interest in its dealings with businesses.

We have recently been successful in gaining a contract which utilises skills and knowledge gained from undertaking local authority work but in this case is for another public body. This is an area of income generation not explored extensively to date but we are considering other options that may be available where we have skills traditionally considered local authority work which other organisations undertake.

3.4 Income Targets

Even with a cash standstill budget, the service has to accommodate the costs of inflation, salary increases and incremental spinal point increases for officers. There is also pressure on pension funding relating to WRS staff past and present. Without increased funding and with very limited scope for efficiencies, the only way to cover these shortfalls is with income. The table below outlines the annual turnover targets that need to be achieved in order to retain the current workforce capacity. It goes beyond 2020 to show the continuing need to address this issue.

Year	Forecast Turnover Income Required
17/18	£284,000
18/19	£327,000
19/20	£364,000
20/21	£397,000
21/22	£428,000

Proposed areas to target are identified below and include some aspects that currently are not delivered to partners in Worcestershire, demonstrating the flexibility in the existing workforce:

- Air Quality. Industrial Pollution Control and Contaminated Land work for district councils
- Managing entire services for district councils
- Dog warden services for District Councils and dog boarding for other public organisations
- Enviro-crime and fly tipping work for district councils
- Providing nuisance work support for district councils
- Training including food hygiene training
- Processing of licensing applications for others
- Charging for some advice
- Grants from central government/WLEP, etc.,
- Housing standards work for housing associations and district councils
- Specialist Environmental Health IT support with UNIFORM database and data extraction
- Intelligence training for local authorities and public sector organisations
- PACE tape transcription

The list above demonstrates that the focus for income generation will be delivering services for other local authorities and grant income. Private sector income from business advice, primary authority and consultancy work will be limited. The vast majority of income for service delivery/ consultancy will come from the public sector.

The table below identifies a potential breakdown of sources of income by year:

Turnover by area for Income Generation/ Year	Business Advice & Primary Authority	Health & Well-being and similar activities	Service Delivery/ Consultancy for others	Pre-application advice and similar	Other miscellaneous activities including Grants	Total turnover of income
2017/18	£20000	£15000	£180000	£10000	£60000	£285000
2018/19	£25000	£15000	£210000	£10000	£67000	£327000
2019/20	£30000	£15000	£240000	£10000	£69000	£364000

In 2016/17, the Business and Relationship Manager, was appointed to work with other managers to help build income streams. The post has been used to develop and following up leads for new business but it is still the case that much of the selling of services needs to be done peer to peer with professionals talking to their colleagues. Whilst the post holder has been very successful already, many local authorities are not as aware of their cost elements or have experience of the economies of scale that WRS may bring to their service elements, and so we have experienced resistance. As senior local authority officers become more aware of their financial position and the commercial options, it is hoped that they will recognise the benefit of working with WRS.

For bigger pieces of work, a risk assessment will be undertaken, in terms of potential financial yields versus the levels of investment required upfront and the on-going costs of any contract. There may be other factors such as reputation that need to be accommodated in terms of risks of failure during the contract, or customer dissatisfaction arising from poor performance. Consideration will also need to be given for the potential for partnership and the impact this would have on both the baseline income/ performance of the service and the loss of income streams should a customer become a partner.

The service needs to look for full cost recovery being the norm for all of its contracts as there needs to be an element of financial return for the existing partners, which the service will utilise to maintain resilience within the service.

3.5 Building on the WRS Platform

The option for widening the partnership under the right circumstances is one way of building on this successful model and the Management Team will work with officers from the WRS Joint Board to consider how this could work whilst seeking out potential interested authorities.

There also remains the option for partners to expand the functions delivered through the partnership. Skills around enforcement activity are focused within the service and a number of areas of current in-house operation with synergies with WRS delivered functions. Partners will undoubtedly be seeking savings opportunities going forward and the current legal agreement does allow partners to add functions to the delivery platform, as long as funding arrangements are agreed. This could create wider income generation activities for the service and provide partners with efficiency savings in those areas added.

4. Organisation & Performance

4.1 Introduction

The service has operated to a suite of outcome style measures which address key areas of member concern. There are no national indicators anymore, making it difficult for members to benchmark the performance of their service against others. Even CIPFA have suggested that 2015/16 may be their last year of collecting statistics on regulatory functions meaning there will be no national comparators for these functions at all beyond what the professional bodies collect from willing volunteers.

The outcome measures have been supplemented with activity data to provide members with reassurance that the service is addressing relevant issues in their areas. These are a regular feature at Joint Board meetings. This has had the desired effect and settled many members' concerns. The service has also developed time recording data to calculate some of its unit costs and to help identify spend in individual partner areas against the level of financial input, as envisaged in the new partnership agreement. Whether this leads to any material change in contributions will be down to whether there are any significant discrepancies that partners feel need to be addressed.

Environmental Health and Licensing work programmes are beginning to be influenced nationally by use of the intelligence shared protocol. We are at the forefront of exploring how the intelligence-led approach can lead to better use of resources. Our experience of using intelligence in this way is as due to it being the main driver for Trading Standards and Animal Health activity for some time. This approach will be particularly relevant to try and develop preventive activities to help reduce demand on the service.

4.2 Core Level of Service.

Previously WRS outlined a model service that would deliver the statutory minimum level of service to all partners across the County. Without wishing to reproduce the detail of these explanations, it is safe to say that the service is effectively at this level now with one or two exceptions. The table below compares the current staffing cohort against the functions identified in the previous plan for Environmental Health.

Functional Areas	Estimated minimum required for core work	Current staff compliment allocated below Senior Practitioner level
Food Hygiene and Food Safety/ Infectious Diseases Health and Safety at Work Statutory nuisances and other	18.5 staff, mix of EHO and Technical Officer grades	19.4 FTE in Community Environmental Health Team
Technical Pollution	8.0 staff, mix of EHO, Technical Officer grades and a Technical Support Officer	8 FTE delivering this in Technical Pollution team as well as work outside the service in 5 other council areas.
Dog Warden Service	3.6 Dog Wardens	3.6FTE delivering services across the 6 partner districts plus 3 other districts outside Worcestershire.

This level was being set by identifying the minimum common level of service required and taking into account any other significant efficiency that could be delivered. The additional resource in Community Environmental Health services the various externally funded work around Health and Well-being and LEP business support work. Also, whilst the results suggest that the original estimates for both Dog Warden and Technical Pollution work may have been slightly high there are significant benefits from the economies of scale we have maintained as these are our key areas for deriving income.

4.4 Licensing

The nature of Licensing is such that it is not subject to the same financial pressures as other elements of regulation i.e. most elements can only be on a cost recovery basis. However, WRS has sought to increase the efficiency of the licensing process and it will continue to do this going forward.

The review of, Licensing and Support Services re-organised to better integrate the two teams to improve efficiency and reduce costs, leaving a very lean administrative support arm linked to the licensing team where the focus is on work being done at the right cost. Licensing administration has, where possible, been separated from the more difficult activities such as report preparation, committee work and enforcement, to ensure maximum efficiency. The decision in the Westminster case, which allows a reasonable amount of fee money to be allocated to compliance activities, means that savings will be re-invested in a better compliance regime for partners.

The more specialist support officers, covering technical roles like IT and Legal Administration, have been re-allocated from a line management perspective, to allow the Licensing and Support Services Manager more time to drive these changes and maximise the opportunities to derive income from licensing activities.

4.5 Cost

The service is already at a point where the partner's total contributions do not cover the cost of maintaining the staffing cohort within the service. This is achieved by income generation and, as has already been indicated, the figure necessary to maintain the current staffing levels is £284,000 for 2017/18 and growing. Even accepting that two or three FTE could be shaved off the staffing compliment if the 6 partners were to only want the minimum required to deliver their own work at minimum levels, this saving is far exceeded by the income generated by these posts so it is safe to say that it is income generation that is enabling the partners to operate above the minimum levels required.

4.6 Performance

The service continues to operate to a suit of performance indicators which are supplemented by activity data tables to give reassurance to members as to activity levels in their areas. The table of PIs for 2016 onwards are outlined in Appendix D. These were developed in consultation with both Management Board and members of the Joint Committee in October 2015. The level of service required by each partner is set out in the revised statement of partner requirements, which is linked to the new legal agreement

5. Workforce and workforce planning

5.1 Current Workforce

A structure chart appears as Appendix A. It retains the TS functions as these are managed under contract. At 5 FTE (one of which is fixed term,) the management team in WRS is virtually as lean as it could be given the current demands and far below the 11 envisaged in the original structure used to integrate all of the previous operational units (Head of Service, 3 Business Managers and 7 Operational Unit Managers.)

On 1st April 2017, the workforce will be approximately 66 FTE posts. There remain concerns about the age profile of the workforce as it is highly biased towards those over 40 and a significant proportion over 50. This introduces risk in terms of the potential to lose staff of significant value and the service needs to consider how to address this. With current budget constraints this is not easy. The service engaged its first apprentice in Licensing in April 2015. Government and the professional bodies are in the process of developing a Regulatory Apprentice scheme, although there is some question as to whether or not this approach is suitable for the professional areas outside of Licensing.

In a number of areas, the service has officers with a regional and national profile who are highly regarded technical experts in their respective fields. This enables WRS to deliver high quality, high value services and to do work for others. Again, losing these key individuals could have a serious impact on the service's ability to deliver, especially in relation to income generation.

5.2 Staff Retention

Managers have identified that staff are critical for the on-going high-performance of WRS and giving the best potential for income generation. Being able to continue to offer opportunities for professional development and the ability to engage with the wider professional environment will help to retain people. Indeed the service has been successful in developing and promoting from within its own ranks.

Managers will continue to support these individuals and ensure that they and the service benefit from applying their skills and knowledge to a bigger stage. This will include, where appropriate, interaction with the private sector and the ability to use their knowledge on a consultancy basis to benefit the service. There are some obvious dangers in this approach however some of the other opportunities offered by the public sector will mitigate this risk.

5.3 Staff Development and succession planning

It remains crucial that the service retains a reasonable training budget, both to ensure the competency of existing staff but also to ensure that we can develop staff for the future. The service has been successful in assisting staff to take steps forward in their careers, both from field officer to first line supervisor and upward into the formal Management team.

With the need to focus on income generation, there has been some emphasis on developing the commercial acumen of staff to grow the streams of income coming into WRS. It is clear that our staff have taken some steps on this road and they show a willingness to go further. The steps previously taken will be built upon in order that staff can recognise commercial opportunities when they arise.

5.4 Staff Appraisal

The service continues to follow the standard pattern of Personal and Professional Development Reviews on an annual basis, with a 6-monthly update, to ensure staff are competent. The new computer and performance management systems enable managers to review the performance of their staff in more detail, allowing individual performance to be scrutinised and assessed. Managers can now see who their best performers are and identify those needing additional support and improvement. Going forward this will continue to improve performance at both individual and service level, albeit resources are already at a premium.

6. Evolution of the Business Model & Risk

Our Fee-Earner model has stood us in good stead for two years now. Whilst it was resource intensive to create with the support of the Host's finance Officer, it has allowed us to model changes in our own structures and how these would impact financially, as well as allowing us to accurately calculate the cost of jobs. We have even devised cost models for the potential of additional partners joining the service to help us calculate what kind of benefits might accrue against the implications for further sharing of delivery.

The new legal agreement requires that the service continue to develop its time recording protocols and approach to the point where there was the possibility of moving to a charging model based on demand addressed rather than the historic investment levels. Whilst there may be logic in this approach there are also risks in creating the potential for a situation where some partners are winners and losers.

It is in the nature of any partnership that a certain quid pro quo is accepted, the fact that the big issues could hit any of the partners at any time. Sharing the risks of these may be more palatable than achieving a more accurate allocation of cost based on demand, which will only deliver small changes in payment but risk more serious damage to relationships.

Beyond this, the main risks faced by the service going forward will be:

- Risk to sustainability of the service if partners cannot maintain core funding during the extended period of austerity
- Achieving income targets where non-partner local authorities may be reticent about outsourced delivery in these areas and prefer to develop new partnerships along WRS lines with their neighbours
- Retaining our highest quality staff and maintaining the range of competences necessary across the very broad range of functions required
- Changes to partner specifications for service fail to meet customer expectations of what should be offered creating a risk for the service's reputation with both customers and back-bench elected members

The existing service risk register is attached as Appendix C.

Appendices:

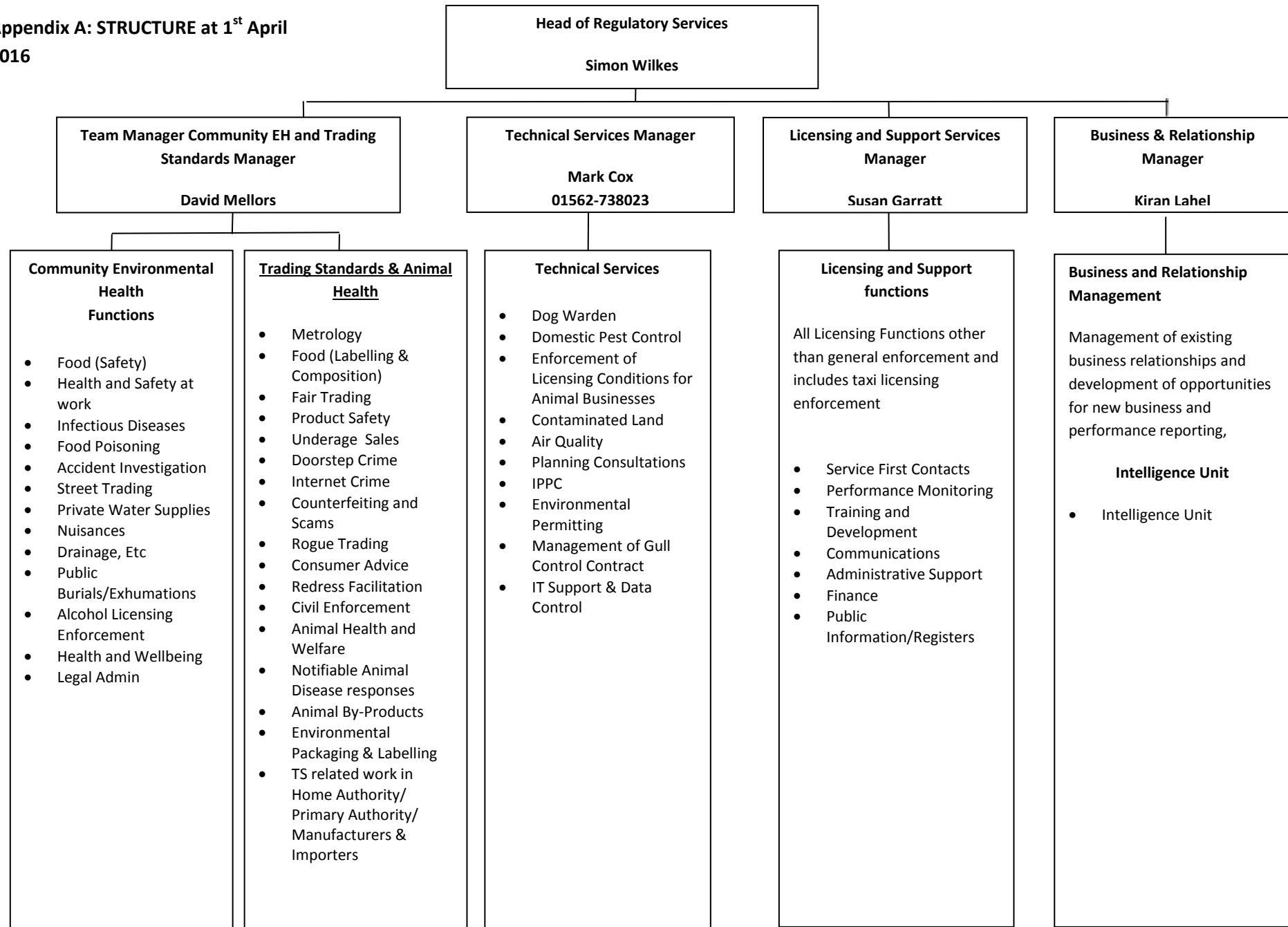
A: Current WRS structure

B: 3 year budgets

C: Risk Register

D: Performance Indicators

Appendix A: STRUCTURE at 1st April 2016



Appendix B: 3 Year budget

Account description	Budget 2017/18	Budget 2018/19	Budget 2019/20
	£000's	£000's	£000's
Employees			
Monthly salaries	2,503	2,546	2,583
Training for professional qualifications	2	2	2
Medical fees (employees')	2	2	2
Employers' liability insurance	16	16	16
Employees' professional subscriptions	3	3	3
Sub-Total – Employees	2,525	2,568	2,605
Premises			
Internal repair/maint.	0	0	0
Rents	52	52	52
Utilities	0	0	0
Business Rates	0	0	0
Room hire	2	2	2
Trade Waste	0	0	0
Cleaning and domestic supplies	0	0	0
Sub-Total – Premises	54	54	54
Transport			
Vehicle repairs/maint'ce	3	3	3
Diesel fuel	8	8	8
Licences	1	1	1
Contract hire of vehicles	4	4	4
Vehicle insurances	3	3	3

Van Lease	9	9	9
Fares & Car Parking	5	5	5
Car allowances	82	82	82
Sub-Total – Transport	115	115	115

Supplies & Service

Equipment - purchase/maintenance/rental	19	19	19
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Materials	9	9	9
Clothing and uniforms	2	2	2
Laundry	1	1	1
Training fees	23	23	23
General insurances	30	30	30
Printing and stationery	18	18	18
Books and publications	2	2	2
Postage/packaging	11	11	11
ICT	40	40	40
Telephones	23	23	23
Taxi Tests	30	30	30
CRB Checks (taxi)	25	25	25
Legal fees	0	0	0
Support service recharges	100	100	100
Support service recharges – ICT	44	44	44
Audit	5	5	5
Sub-Total - Supplies & Service	376	376	376

Contractors

Consultants / Contractors' fees/charges/SLA's	223	223	223
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Advertising (general)	4	4	4
-----------------------	---	---	---

Grants and subscriptions	11	11	11
Marketing/promotion/publicity	2	2	2
Sub-Total – Contractors	239	239	239

Income

Sources including Grants / Nuisance Work / Food Training / Contaminated Land / Stray Dogs / Sewer Baiting etc.	-284	--327	-364
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Sub-Total – Income

-284	-327	-364
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DISTRICT PARTNERSHIP BUDGET going forward

3,025	3,025	3,025
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Authority	Contribution (£'000)	Percentage
Bromsgrove	439	14.51%
Redditch	529	17.49%
Wyre Forest	463	15.31%
Wychavon	701	23.17%
Malvern	386	12.76%
Worcs City	507	16.76%
Total	3,025	

Appendix C: Risk Register

Risk Description	Consequences	When is this likely to happen	Current Position			Control measures
			Likelihood	Impact	Matrix RAG Status	
Loss of Data through IT failures	Disruption to Service Provision. Inability to produce records and data.	On-going	Low	High	Green	Wyre Forest ICT has effective processes and business continuity plans in place. WFDC upgraded VMWare [scheduled for January 2017]
Issues with the WRS database system	Impact on work planning. Self-help may not enable savings required	On-going	Low	High	Green	Initial implementation is completed. Further development of the system will be treated as business as usual, with priority going to public access and self-help/ self-service to continue the channel shift process. Service website remains key access point. Tested disaster recovery of our Uniform back up and fail over to the business continuity server. Completed [scheduled for January 2017]. Oracle upgrade to 12c completed. EDRMS upgrade completed 24 th December 2016.
Effective and efficient Business Continuity arrangements in place	Disruption to service if e.g. Major Power failures or other reasons that access to Wyre Forest House is not possible.	On-going	Very Low	Medium	Green	Staff are equipped for mobile/home working. Touchdown stations available in partner council locations. Working from WFDC depot successfully tested over Christmas period.
Maintain our capacity to achieve service delivery	Disruption to service e.g. Major staff sickness (e.g. flu pandemic) or Unable to recruit or retain suitably qualified staff.	On-going	Low	Medium	Amber	In such event, service priorities to be managed and partners informed of any changes to service. Consultants are available to provide short term cover and this has worked well where we have used them to cover peak demand periods. However, having taken on contracts with additional authorities the demand has increased and neighbouring authorities have lost the ability to be able to assist with technical specialisms. We are active within regional and sub-regional groups to share resources if required. Effective training and development processes are in place to ensure recruitment

						<p>and retention of staff. There is increased training budget pressure, reduced technical knowledge in neighbouring authorities and increased importance in maintaining heightened skills for contractual obligations and commercial edge.</p> <p>Regular inventory and maintenance of equipment. In future budget for replace may be an issue but would be a relatively small amount for partners to share.</p>
Pest contractors cease operations.	<p>Disruption to service.</p> <p>Negative media coverage.</p> <p>Increased public health risks</p>	On-going	Low	High	Green	New framework contract has 6 pest control suppliers so the loss of one allows work to be moved to the others.
Effective and efficient contract arrangement for dog control	<p>Disruption to service if no kennels available. Negative media coverage.</p> <p>Increased public health risks</p>	On-going	Low	High	Amber	Budget available to buy in use of other private sector providers in short term. Contracts tendered. The Dog Warden contracts are robust but we have one less kennel contractor but an additional three District Councils that we provide the service for.
Hosting support does not deliver necessary financial and HR support to ensure efficient management	Efficiency of management reduced; staffing issues remain unaddressed and performance suffers	On-going	Low	High	Amber	Some continuing issues around access to the financial system from Wyre Forest house, meaning managers are reliant on host finance officers for financial reporting. ICT team from WFDC and BDC continue to work to resolve the issue
One or more partners continue to be under great financial pressure and may consider alternatives to the partnership to deliver their service	Creates reputational issues for remaining partners and increases the need to manage overheads. Difficulties in delivering highly varied levels of service	On-going	Low-Medium	High	Amber	New legal agreement limits variations in contribution before partners have to move to contractual relationship. Leanness of organisation minimises overheads and focuses resource at the front line. Growth strategy should generate income to support partners in the future. Some reputational damage and perceived loss of commercial skills from the County Council withdrawing from the partnership.

Robust arrangements in place in relation to obtaining legal advice and monitoring legislative changes.	Loss of cases is costly and damages reputation.	On-going	Low	Medium	Green	Continued close working with BDC legal team and other partners who don't use BDC for advocacy. Technical and legal training days for staff. Difficulty in keeping informed of Case Law developments. Membership and attendance of Officer Technical Groups outside the County would assist.
Service provision complies with Government requirements	Adverse comments following audits e.g. FSA Intervention by Government bodies i.e. FSA, whilst highly unlikely, is damaging to reputation.	On-going	Low	High	Amber	Limited detail of what statutory minima are. LGA clearly aware of impact of budget reductions on regulation and has made it clear Government cannot expect what it had previously. Fewer interventions/ audits by government. Service has developed systems that follow the principles of the requirements of bodies like FSA so can show some level of compliance. WRS principle of moving away from rigid inspection programme of Food Standards Code (as approved by WRS Joint Board) to intelligence led interventions is compliant with Food Safety Act albeit not as FSA would be able to sanction. Environmental reporting for Local Air Quality Management, Pollution Prevention and Control and Private Water Supply Inspections to Defra and DWI have received positive responses with no issues of concern raised.
Failure to deliver external contract work at the level expected by the business or local authority with whom we have the contract	Damage to reputation, loss of future income streams, financial impact of paying damages	On-going	Low	High	Green	Ensure contract negotiations are clear on performance criteria and these are clearly recorded in the final documentation. Monthly reviews against performance criteria. Select staff to ensure competence of those undertaking work outside Worcestershire. Maintain strong links with the customer's monitoring staff. Intervene early with corrective action

Appendix D; Table of Performance Indicators

	Measure	Reporting Frequency	Background
1	% of service requests where resolution is achieved to customers satisfaction	Quarterly	Based on questionnaires send out to a significant number of members of the public who use the service.
2	% of service requests where resolution is achieved to business satisfaction	Quarterly	Based on questionnaires send out to a significant number of businesses inspected or otherwise contacted by the service.
3	% businesses broadly compliant at first assessment/ inspection	Annually	Based on the proportion of businesses meeting the key purpose from a regulatory perspective i.e. food businesses produce safe food.
4	% of food businesses scoring 0,1 or 2 at 1 st April each year	Annually	Based on proportion of businesses scoring 1-2 star on a national Food Hygiene Rating Scheme assessment (2 stars and below is deemed to be at risk of not producing safe food.)
5	% of drivers licence renewal applications issued within 5 working days.	6-monthly	New for 2016/17 Based on the proportion of drivers licence renewals issued within 5 working days of receipt of application.
6	% of vehicles found to be defective whilst in service	6-monthly	Percentage of vehicles stopped during enforcement exercises that are required to be removed from service for remedial work before being allowed to carry on operating.
7	% of service requests where customer indicates they feel better equipped to deal with issues themselves in future	Quarterly	Based on questionnaires send out to a significant number of members of the public and businesses who have used the service.
8	Review of register of complaints and compliments	Quarterly	All are recorded Increasing compliments/ Reduced complaints

9	Staff sickness absence at public sector average or better	Quarterly	Sickness recorded using host processes. Public sector average 8.75 or better
10	% of staff who enjoy working for WRS	Annually	Taken from the staff survey.
11	% of licensed businesses subject to allegations of not upholding the 4 licensing objectives	6-monthly	Indicator, linked to Crime & Disorder agenda, looking at performance of premises license holders and control on their activity.
12	Rate of noise complaint per 1000 head of population	6-monthly	Place indicator, potential link to quality of life and health and well-being.
13	Total income	6-monthly	New for 2016/17 Expressed as a % of district base revenue budget (16/17)
14	Cost of regulatory services per head of population	Annually	New for 2016/17 Will be total spend divided by the total population, based on the most recent mid-year estimate available at the time of publication. NB: Calculation will offset income against revenue budget to account for external income sources