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**WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL****WORCESTERSHIRE REGULATORY SERVICES****MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE**

THURSDAY 23RD FEBRUARY 2012 AT 4.00 P.M.

THE COMMITTEE ROOM, THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Bromsgrove District Council: Councillor C. B. Taylor  
Bromsgrove District Council: Councillor M. A. Bullivant  
Malvern Hills District Council: Councillor Mrs. B. Behan  
Malvern Hills District Council: Councillor P. Grove  
Redditch Borough Council: Councillor M. Braley  
Redditch Borough Council: Councillor P. Mould  
Worcester City Council: Councillor Mrs. L. Hodgson  
Worcester City Council: Councillor F. Lankester  
Worcestershire County Council: Councillor A. N. Blagg  
Worcestershire County Council: Councillor D. Thain  
Wychavon District Council: Councillor Mrs. E. Stokes  
Wychavon District Council: Councillor K. Jennings  
Wyre Forest District Council: Councillor J. Baker  
Wyre Forest District Council: Councillor M. Hart

**AGENDA**

1. To receive apologies for absence and notification of substitutes
2. Declarations of Interest
3. To confirm the accuracy of the minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 24th November 2011 (Pages 1 - 4)
4. Worcestershire Regulatory Services Service Plan 2012 / 2013 (Pages 5 - 48)
5. Worcestershire Regulatory Services Financial Monitoring April - December 2011/2012 (Pages 49 - 58)
6. Audit Commission Annual Audit Letter 2010 - 2011 (Pages 59 - 70)
7. Human Resources & Financial Policies and Procedures (Pages 71 - 74)
8. Worcestershire Regulatory Services ICT Project Update (Pages 75 - 82)
9. Nuffield Scholarship Award - Animal Health Officer (Pages 83 - 84)

10. Department for Business, Innovation & Skills on Transforming Regulatory Outcomes (Pages 85 - 90)
11. Inspection by the Interception of Communications Commissioner's Office (IOCCO) (Pages 91 - 92)
12. To consider any other business, details of which have been notified to the Head of Legal, Equalities and Democratic Services prior to the commencement of the meeting and which the Chairman considers to be of so urgent a nature that it cannot wait until the next meeting

K. DICKS  
Chief Executive

The Council House  
Burcot Lane  
BROMSGROVE  
Worcestershire  
B60 1AA

15th February 2012

**BROMSGROVE DISTRICT COUNCIL****MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE****THURSDAY, 24TH NOVEMBER 2011 AT 4.00 P.M.**

PRESENT: Councillors Mrs. L. Hodgson (Chairman), M. Braley (Vice-Chairman), M. A. Bullivant, C. B. Taylor, Mrs. B. Behan, P. Mould, D. Thain, Mrs. E. Stokes, K. Jennings and J. Baker

Observers: Mr. V. Allison, Deputy Managing Director, Wychavon District Council, and Mr. I. Pumfrey, Head of Customer and Environmental Services, Malvern Hills District Council

Officers: Ms. J. Pickering, Mr. S. Jorden, Ms. C. Flanagan and Mrs. P. Ross

18/11 **APOLOGIES**

Apologies for absence were received from Councillors P. Grove, Malvern Hills District Council, F. Lankester, Worcester City Council and M. Hart, Wyre Forest District Council.

The Chairman read out the citation that provided details of an award recently presented to Worcestershire Regulatory Services, Noise Nuisance Team. The Team were highly commended along with Gloucestershire City Council.

19/11 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

20/11 **MINUTES**

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 29th September 2011 were submitted.

**RESOLVED** that the minutes be approved as a correct record.

21/11 **WORCESTERSHIRE REGULATORY SERVICES PURPOSES AND OUTCOME MEASURES**

The Chairman expressed thanks on behalf of Joint Committee Members to Worcestershire Regulatory Services (WRS) officers for their time and commitment to the WRS Services Away Day, which had been well attended by Members of the Worcestershire Shared Services Joint Committee. The Chairman requested that Members capture the information and questions raised during the Away Day in order to provide feedback and an update on WRS to each member authority.

The Head of WRS provided Members with a brief summary from the Away Day Workshop and the potential outcome measures for WRS in delivering what the customer wanted. Joint Committee Members who had attended the WRS Away Day had been given the opportunity to discuss the 'Purpose' and suggested 'Measures'. Members had agreed that there should be a move to outcome based measures rather than performance indicators purely based on volumetrics. It was agreed that these measures would evolve as the transformation work developed further.

Members had agreed that the suggested outcome measures presented were on the right tracks but further work was required for Licensing as the service moved forward on measures for environmental issues such as air quality and contaminated land and that any future special projects work be included. Members had also requested that further detail be made available on some of the outcome measures so as to show trends.

**RESOLVED** that the Head of Worcestershire Regulatory Services be tasked to present a report to the next meeting of the Worcestershire Shared Services Joint Committee proposing a suite of outcome measures that could be used to measure the performance of Worcestershire Regulatory Services.

22/11 **APPOINTMENT OF ICT PROJECT MANAGER**

The Head of Worcestershire Regulatory Services (WRS) provided the Committee with a verbal update. Members were informed that the position of ICT Project Manager had been advertised via the local government frameworks following advice provided by Bromsgrove District Council's Procurement Team.

Approximately 14 businesses had been invited to tender for the ICT Project Manager position with only one response received, that was way over budget. Therefore phase two had been initiated with recruitment agencies and local companies contacted and provided with details of the job description and person specification. This process would close on 2nd December 2011 with interviews taking place around 12th December 2011. The Head of WRS and representatives from the Management Board would sit on the interview panel. The implications in the delay in appointing an ICT Project Manager were that WRS had hoped to have someone in place fairly quickly in order for a project plan to be completed in December and submitted to the February meeting of the Joint Committee via the Management Board. The Head of WRS reassured the Committee that they would still receive a project plan in February.

The Head of WRS responded to questions from Members with regard to the possibility of 'buying in' an ICT Project Manager from a member authority, salary details and advertising.

23/11 **WORCESTERSHIRE REGULATORY SERVICES RISK REGISTER**

The Head of Worcestershire Regulatory Services (WRS) informed the Committee that the Management Board had recommended that WRS

formulated a risk register that provided a summary of risks and mitigating actions, details of which would be provided to the Management Board quarterly and Worcestershire Shared Services Joint Committee annually.

Officers had agreed that the risk register would be circulated to each member authority to ensure the overall WRS risks were incorporated into each member authorities risk registers as deemed appropriate.

The Committee considered the report which detailed the identified risks and a summary of the mitigating activities to September 2011.

**RESOLVED** that the current Worcestershire Regulatory Shared Services risk register, be noted.

24/11 **WORCESTERSHIRE REGULATORY SERVICES FINANCIAL MONITORING**  
**APRIL - SEPTEMBER 2011/2012**

The Committee considered a report which provided details of the financial position for the period April 2011 to September 2011 for both revenue and capital expenditure.

The Executive Director Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so informed the Committee of the significant underspend due to the savings arising from two Grade B posts remaining vacant.

The Executive Director Finance and Corporate Resources, Bromsgrove District Council responded to Members questions with regard to the residual underspend. The Committee was informed that the Legal Agreement stated that any underspend would be rolled forward and ring fenced for any future projects within the service. The final accounts would be brought back to the Joint Committee for approval, Members could then make the decision if a partner percentage share of the residual underspend should be allocated to each member authority.

**RESOLVED** that the report be noted.

25/11 **WORCESTERSHIRE REGULATORY SERVICES BUDGET 2012 / 2013**

The Committee considered a report which detailed the Worcestershire Regulatory Services draft budget for 2012/2013.

The Executive Director Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so informed the Committee of the original business case savings of £357,000 to be delivered during 2012/2013. This would be allocated across the participating authorities as detailed in the report.

**RESOLVED:**

- (a) that the Worcestershire Regulatory Services budget for 2012/2013 be approved, and

- (b) that authority be delegated to the Head of Service and S.151 officers for each individual Member Authority to agree the revisions in relation to Land Drainage.

26/11 **WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE - PROPOSED MEETING DATES 2012 / 2013**

The Committee considered the proposed meeting dates scheduled for 2012/2013.

**RESOLVED** that the Worcestershire Shared Services Joint Committee meeting dates and time for 2012/2013 be approved as follows:

- Thursday 23rd February 2012, 4:00pm
- Thursday 28th June 2012, 4:00pm – Annual Meeting
- Thursday 27th September 2012, 4:00pm
- Thursday 22nd November 2012, 4:00pm – Budget Meeting
- Thursday 21st February 2013, 4:00pm

The meeting closed at 4.36 p.m.

Chairman



## JOINT COMMITTEE

23rd February 2012

### Worcestershire Regulatory Services Service Plan 2012/13

#### Recommendation

That Members approve the Worcestershire Regulatory Services 2012/13 Service Plan.

#### Contribution to Priorities

The Service Plan outlines the way in which the Service's activities link to National Priorities relevant to regulatory services. These National priorities can be mapped across the partners' local priorities.

#### Introduction/Summary

The purpose of this report is to introduce the Service Plan for 2012/12 to Members. The Plan is to provide Members with a picture of the rapidly changing operating environment within which the Service operates.

The Plan also identifies key outcomes and measures with which to measure the performance of the Service. Many of these measures are a result of consultation with Members and customers based on 'what matters' to the customer.

#### Background

Under the Service Level Agreement, Worcestershire Regulatory Services has to produce a 3 year Service Plan, for adoption by all partners.

As the operating environment is undergoing rapid change and the outputs of the transformation programme have not been fully implemented yet, a 3 year Plan at this stage of the process is premature.

The attached Service Plan does however provide Members with a clear picture of the challenges ahead, National priorities driving the Service and the high level activities designed to meet partners stated Service requirements.

Also included in the Plan are the Service's financial arrangements, the Service's current structure, operating environment and risk register.

**Financial Implications**

A suite of outcomes and measures are detailed in the body of the plan. The measures are a further departure from the more usual local Government performance indicators but this new approach is an essential part of the Service's transformation work, more accurately reflects what is important to the customer and have been developed through both the Management Board and Joint Committee.

Financial arrangements are included in the Plan together with the budget, reported separately to this meeting. Failure to deliver within the budget would have implications for partners and the Service going forward.

**Contact Points**

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**Background Papers**

Service Plan  
Risk Register

# Service Plan 2012/13

## **Worcestershire Regulatory Services Vision**

**"That Worcestershire is a healthy, safe and fair place to live,  
where businesses can thrive."**

## INTRODUCTION

This is the second formal annual service plan to be produced by Worcestershire Regulatory Services and the first since the co-location of all staff at Wyatt House in Worcester. 2011/12 was a very busy year for the new service which was complicated by various communication and IT issues which, hopefully, before the end of 2012/13 will be totally resolved. The report follows a similar format to the previous plan but with more emphasis on outcome measures compared with last year and with some of the detail in appendices that follow on from the commentary.

## OPERATING ENVIRONMENT

At the national level the external environment in which the Service operates continues to face unprecedented change. The Government continues to demand a less interventionist society where voluntarism is a strong feature and de-regulation is a key part of its agenda. This does however need to be balanced with the need to protect and support the most vulnerable in our society, ensuring our services are targeted, proportional and effective. There are a number of changes and government policy initiatives nationally that will affect the operation of WRS over the next 1- 5 years. The key issues are summarised in Appendix 2.

These changes and initiatives will be taking place at a time of continued austerity and the lack of available funding is likely to be a key to shaping the service going forward. The service is likely to face further funding reductions and will seek to minimise the impact of this where it can, however, there are unlikely to be many opportunities for income generation in the immediate future. The wider impact of poor economic performance may also be seen through increased cutting of corners by businesses as they seek to survive in this current tough environment and a growth in the informal economy as people seek to make their money go further by buying cheaper products, including counterfeit and contraband items. Hence, we may see a double impact of increasing demand for our services at a time when the resources for delivery are falling drastically.

The Government tasked the Local Better Regulation Office (LBRO) with developing Priority Regulatory Outcomes for England for local authorities to consider when undertaking their service planning processes. These are intended to replace the "Roger's Priorities," which were outlined some three years ago with the intention of providing local authorities with a list of the key areas where central government felt resources should be focused. Published in May 2011, the LBRO Priority Outcomes are as follows:

1. **Support economic growth, especially in small businesses, by ensuring a fair, responsible and competitive trading environment**
2. **Protect the environment for future generations including tackling the threats and impacts of climate change**
3. **Improve quality of life and wellbeing by ensuring clean and safe neighbourhoods**
4. **Help people to live healthier lives by preventing ill health and harm and promoting public health**
5. **Ensure a safe, healthy and sustainable food chain for the benefits of consumers and the rural economy**

These are very different from the Roger’s priorities and reflect the developing agenda of localism. The aim of these priorities is to help local authority regulators demonstrate their links to the main corporate priorities of their parent authorities and, by being less prescriptive, to give those authorities a better opportunity to shape what is delivered to local need. They are not dissimilar from the priorities previously created by this service for this purpose and are inclusive of everything that the service delivers.

**PURPOSES**

Following the initial application of the Systems Thinking approach to transform our service so it is more customer focused and, after a lot of consultation with them, WRS has now established 3 purposes which will be used to underpin the way in which the Service is developed and delivered in the future.

- 1. Help me resolve my problem.
- 2. I want to assume everything is ok.
- 3. Help me trade well.

These purposes are expressed in terms a customer might use and provide a focus for staff. They will form the basis for reporting performance of the Service focussed on outcomes and have been agreed by the Joint Committee. These purposes, combined with the priorities outlined by LBRO, encapsulate the Service’s contribution to the wider community agenda, reflecting as they do the broad themes relevant to all partners. Some of the activities undertaken by the Service to deliver against these purposes are highlighted below.

**TRANSFORMATION**

Worcestershire Regulatory Services’ Leadership Team has continued to adopt the Vanguard approach to transformation. This involves a fundamental redesign of the service, moving the strategic focus of the organisation to the customer and giving clarity of purpose. Leaders have been encouraged to pay attention to measures that help and guide in the attainment of purpose, understanding demands presented into the system, knowing what matters to our customers in respect of those demands and are now moving in to the redesign phase of transformation; the process of re configuring processes, roles and structure to deliver the service in the most lean and effective way.

Throughout 2011 a pilot team has been experimenting on two major workflows (proactive and reactive) in the Bromsgrove area. The data collected has enabled us to assess how well these new flows are working and has informed our service redesign. We are now expanding this pilot by rolling in the new way of working to the Business Compliance and Community Protection Teams across the County. Those teams outside of the pilot have completed ‘what matters’ exercises to confirm the purposes previously identified above.

This transformation work will be expanded throughout 2012, with teams carrying out a series of ‘mini-checks’ of their systems. The various flows will be mapped out, the areas of value and waste identified and data collected to provide an understanding of the “what and why” of current performance. We shall then be in an informed position to redesign these service areas. The leadership team will consider the outcomes of these ‘mini – checks’ and, based on knowledge, agree a plan to roll-in the new flows across the service and thereby improve performance.

Through this approach we continue to develop our leaders, maximize the use of resources and provide sustainable capacity for improvement whilst our service becomes more focused on what matters to the customer.

Whilst the current focus is on delivering savings against the business case it is recognised that, as part of the transformation process, some sort of 'value for money' calculation needs to be made. This is very difficult with a systems thinking methodology being used for transformation but there may be some work around capability (resources), and costs associated with meeting purpose. It is planned to hold a workshop later in the year to look at this issue and identify how Value for Money can be reported against, to further support partners commitment to tackling the ongoing budgetary pressures.

**OUTCOMES, ACTIVITIES AND MEASURES**

The outcomes outlined relate to a range of activities (What we will do!) and outputs, the success of which is measured by the suite of outcome measures listed. We believe that these measures will give Members the confidence that the Service is performing well and contributing to the wider local agenda whilst better reflecting what matters to the customer and are very much in line with Government thinking. A list of detailed activities, currently under construction, will sit below the main plan. Reports on the outputs and results of some of these activities will be provided for the Joint Committee during the year.

A full list of Measures appear in Appendix 3

	OUTCOME	WHAT WE Will DO	PURPOSE (WHAT THE CUSTOMER WANTS)	NATIONAL PRIORITY	MEASURES
1	More compliant businesses (IPPC, H&S, Food, Fair Trading, Licensing)	Provide businesses with advice and assistance using a range of channels.  Conduct risk based/ intelligence-led interventions with businesses  Better targeting of resources towards non-compliant businesses  Undertake intelligence led projects including sampling of various consumer products including food.	I want to assume everything is ok.  Help me trade well	1, 2, 3 and 5	% businesses meeting purpose at first assessment/ inspection  % of service requests where resolution is achieved to business satisfaction  % of food businesses scoring 0, 1,2* at 1 <sup>st</sup> April each year

2	Improved level of safety/ compliance of products and services being supplied within Worcestershire	Undertake intelligence led projects including sampling of various consumer products including food	I want to assume everything is ok.	<b>1 and 3</b>	% of practices harmful to collective consumer interests that are stopped
3	Reduced level of counterfeit items being supplied in Worcestershire	Undertake targeted, intelligence led interventions, including test purchases where appropriate	I want to assume everything is ok.	<b>1 and 3</b>	% of products originating in Worcestershire that pass the tests applied to them
4	Reduction in doorstep crime and associated increase in older people feeling safe in their homes	Respond to complaints and take appropriate action Promote alternative to doorstep interaction e.g. Trader Register Share intelligence with Police and other partners Participate in multi-agency events e.g Rogue Trader Day	Help me to solve my problem I want to assume everything is ok.	<b>1 and 3</b>	% of service requests where resolution is achieved to customers satisfaction
5	Reduced number of complaints about businesses in Worcestershire, improving the local economy	Respond to complaints and take appropriate action Provide businesses with advice and assistance	Help me to solve my problem	<b>1</b>	% of service requests where resolution is achieved to customers satisfaction % of service requests where resolution is achieved to business satisfaction Value (£) of contracts that are subject to intervention by officers on behalf of customers

6	Reduced deaths/ injuries/ illness caused by work activities and incidents of infection (e.g. legionella)	Provide businesses with advice and assistance Conduct risk based/ intelligence-led interventions with businesses Respond to accident notifications and outbreaks	I want to assume everything is ok Help me to solve my problem Help me trade well	<b>1 and 4</b>	% businesses meeting purpose at first assessment/ inspection Reduced trend in number of work related accidents and injuries
7	Reduction in nuisance and other pollution related issues	Respond to complaints and take appropriate action Provide relevant advice and information, available through a range of channels.	Help me to solve my problem	<b>2 and 3</b>	% of service requests defined as "statutory nuisance" abated
8	Reduced incidence of food poisoning	Provide businesses with advice and assistance Conduct risk based/ intelligence-led interventions with businesses Respond to disease notifications and outbreaks	I want to assume everything is ok Help me to solve my problem Help me trade well	<b>5 and 4</b>	Reduced trend in incidents of food-borne illness within County
9	Air quality standards are met/ air is safe to breath	Undertake air quality monitoring and develop action plans where limits are exceeded.	I want to assume everything is ok	<b>2 and 4</b>	Action plans are in place where necessary to support delivery of improvements
10	Reduced environmental emissions leading to reduced environmental damage	Conduct risk based/ intelligence-led interventions with businesses	I want to assume everything is ok	<b>2</b>	% businesses meeting purpose at first assessment/ inspection

11	Contaminated land in the County is identified so that consideration can be given to making it safe for future use	Review of maps, historical data and potentially testing where it appears necessary. Responding to requests for information relating to potential development	I want to assume everything is ok Help me trade well	<b>2 and 4</b>	% geographic area of the county that has been reviewed for the presence of historical activity that may have resulted in contamination
12	Drinking water is safe	Sampling of private water supplies	I want to assume everything is ok	<b>4</b>	% of private drinking water supplies in the County that pass the tests applied to them
13	Licensed premises cause no alcohol-fuelled crime/ disorder and ASB.	Respond to complaints regarding alcohol and similar licensing related issues (underage sales, breach of conditions, conduct of licence holders etc ) Provide businesses with advice and assistance	I want to assume everything is ok Help me to solve my problem Help me trade well	<b>1 and 3</b>	% of licensed businesses subject to allegations of not upholding the 4 licensing objectives
14	Taxi's drivers are suitable people to be licensed for the role and vehicles are safe whilst in use as Taxi/ Private Hire	Conduct risk based/ intelligence-led interventions with taxi firms Respond to complaints and take appropriate action Provide businesses with advice and assistance	I want to assume everything is ok Help me to solve my problem Help me trade well	<b>3</b>	% of applicants for driver licenses rejected as not fit and proper % of vehicles found to be defective whilst in service

15	Reduced under age sale of age restricted products including alcohol, and the resultant nuisances	Provide businesses with advice and assistance Conduct risk based/ intelligence-led interventions with businesses	I want to assume everything is ok Help me to solve my problem Help me trade well	<b>3</b>	% of businesses that pass an attempt at test purchase for a relevant product
16	Create better educated, more aware consumers, who are more confident and make better informed choices	Respond to complaints within service scope as appropriate Provide relevant advice and information, available through a range of channels.	Help me to solve my problem Help me trade well	<b>1</b>	% of service requests where customer indicates they feel better equipped to deal with issues themselves in future
17	Consumers able to make informed choices on where to eat or purchase food through published food hygiene ratings.	Implement and promote a county wide food hygiene rating scheme Publish hygiene ratings and accrediting those which improve health and wellbeing of their workforce.	I want to assume everything is ok Help me trade well	<b>4 and 5</b>	% businesses meeting purpose at first assessment/ inspection
18	High levels of customer satisfaction	Respond to complaints and take appropriate action Enabling customer access to services, where possible, by their chosen means Getting it right first time so, where possible, we deal with customers through a single contact	Help me to solve my problem Help me trade well	<b>1, 2, 3 and 5</b>	% of service requests where resolution is achieved to customers satisfaction % of service requests where resolution is achieved to business satisfaction Improved end to end time Register of compliments and complaints with actions taken

19	Improved public awareness of WRS and its role	Provide information to the public and businesses to enable them to take informed action and make informed choices	I want to assume everything is ok Help me to solve my problem Help me trade well	1, 2, 3, 4 and 5	Increased number of hits on website  Number of positive press releases highlighting the work of WRS
20	Having engaged and satisfied staff who have the right skills, tools and support	Develop a training plan using the RDNA Toolkit. Undertake annual staff survey. Undertake quarterly staff performance reviews	All 5 as officers much be able to undertake work relating to the three purposes	1, 2, 3, 4 and 5	Staff sickness and absence at national average or better  % of staff who enjoy working for WRS  Capability charts plotting staff skills against demand
21	Preparedness for response to emergencies, including disease outbreak is maintained Maintenance of profitability in farming industry and consumer confidence	Take part in partner exercises to test plans, as appropriate Conduct risk based/ intelligence-led interventions with businesses Respond to disease notifications and outbreaks Respond to complaints regarding farmed animal welfare	I want to assume everything is ok Help me to solve my problem Help me trade well	1 and 5	Business Continuity and Disease response plans are maintained, reviewed and updated on a regular basis  % businesses meeting purpose at first assessment/ inspection

**PERFORMANCE REPORTING**

Performance against outcomes will be reported to Management Board and Joint Committee either quarterly or annually, depending on the measure. It should however be noted that due to the lack of a single IT platform the collection and analysis of measures data will be difficult therefore meaningful robust data will be unavailable for at least 12 months. Every effort will be made however to ensure that performance remains strong and any credible data that does become available is reported as soon as practicable. The service will also engage with members and the Management Board, at a later stage to clarify the level of detail members wish to receive in respect of future outcome measures.

**FINANCE**

A summary of the budget position for 2012/13 – 2013/14 is shown below. This schedule shows the main areas of expenditure within the Service and the savings made as required by the Service Level Agreement. It is noted however that further pressures from some partners on the budget are inevitable!

**REGULATORY SERVICES BUDGET TABLE 2011/12**

Account description	Proposed Budget 2012/2013 - As per meeting 06.10.11 / 27.10.11	£
Employees	4,194	
Premises	189	
Transport	214	
Supplies & Services	656	
Contractors	420	
Income	-3	

**BUDGET TOTAL AS PER LEGAL AGREEMENT** 5,670

**PARTNER SHARES**

	11.16%	Redditch	10.65%	Wychevon	16.72%	Worcestershire County	29.88%
Bromsgrove	9.67% <td>Worcester City</td> <td>10.99% <td>Wyre Forest</td> <td>10.93%</td> <td></td> <td></td> </td>	Worcester City	10.99% <td>Wyre Forest</td> <td>10.93%</td> <td></td> <td></td>	Wyre Forest	10.93%		
Malvern Hills							

**STRUCTURE**

The team structure (Appendix 1,) remains very similar to last year with around 120FTE, taking into account part-time staff. Having undertaken some test work in Bromsgrove using Systems Thinking using a small team, we have now widened this out to encompass the whole County for all core Environmental Health and Trading Standards work using the Business Compliance and Community Protection teams. The other three teams (Central Operations, Licensing and Support Services) will continue to develop the Systems Thinking approach in relation to their own distinct core activities. Further refining of this structure may take place as a result of the service's systems thinking approach.

Wendy Martin, former Policy Director at LACORS was recruited early in 2011 to provide support at Business Manager level and performed excellently in this role. Wendy was, however, unable to take the role permanently which led to a recruitment process in December. The process was robust and there were some good candidates but no one was thought to be wholly suitable to help take the service forward. On that basis the decision was taken not to appoint. There was still a need for additional capacity at this level so Mark Kay, Licensing Manager, has been appointed to the role of Acting Business Manager to help support the staff through the change process. A further review of management capacity will take place later in 2012/13. By this time a clearer picture of the budgetary position going forward will be available, so not appointing anyone permanently to this role will give some additional flexibility.

**TRAINING AND DEVELOPMENT OF MULTI-FUNCTIONAL TEAMS**

The basic concept underpinning the structure under which the service is operating is that multi-functional officers can provide a wider range of options for intervention creating a more cost effective service. To test this we are using the Local Better Regulation Office's Regulatory Development Needs Assessment tool to support our officers in identifying the gaps in their competence. This tool, based on a model used by the Health and Safety Executive, has yet to provide a comprehensive suite of modules covering all local authority regulatory work, but there are plans to make this a reality over the coming year or two. Currently modules covering Food (Hygiene and Standards), Weights and Measures, Health and Safety at Work and Animal Health are available along with a core Regulatory Skills module and a Leadership module for managers. These will be supplemented with further modules covering Fair Trading, some elements of Pollution Control and Product Safety, early in the new financial year. By using this tool we hope to lessen the barriers between the professions within the service and ensure that our officers are capable of undertaking a wider range of duties and confident to undertake this more diverse role. This will allow us to focus resources on problems where they arise and improve resilience. The first set of Personal Development Reviews being used to implement the process will take place early in 2012 and this will be reviewed later in the year. It is essential that a strong Training and Development budget is maintained for this purpose.

**BUSINESS CONTINUITY**

Business continuity plans for the service are in development and we hope to take these through the process of Management Board and Joint Committee for information during 2012/13.

There are however arrangements in place to support mobile/flexible working that will support the continuation of the service during significant events.

## **PARTNERSHIPS**

The service continues to need to work closely with a range of partners to deliver what is required against a number of agendas. The importance of the seven local authority partners is recognised and we will continue to maintain our existing interfaces with other elements of these organisations e.g. Planning, Worcestershire Hub, Economic Development teams, etc. Customer demand will have a significant impact on the nature of these interfaces as we move the service forward. Close partnership working with a range of professional and community groups is key to further developing the service to deliver the outcomes required. Key partners for engagement include:

- West Mercia Police
- Hereford & Worcester Fire & Rescue Service
- The Environment Agency
- The Health and Safety Executive
- Local Partnership bodies e.g. District Crime and Disorder Reduction Partnerships (often known as Community Safety Partnerships,)
- Consumer Direct and Citizens Advice Bureaux
- Primary Care Trust (until 2013) / then GP Consortium
- Health Protection Agency (until 2013 / then Public Health England)
- Regional Regulatory Partnerships (CEN TSA, WMCEHO, WMRSP) and National Bodies (TSI, CIEH, TSPF,)

Existing links to these bodies will be maintained, along with our commitment to other groups operating under the umbrella of the Worcestershire Partnership. This would include projects like Total Environment that bring together a number of services and partners.

## **CONSULTATION/ ENGAGEMENT**

We will continue to consult with customers and stakeholders to ensure we are delivering what is required through various forms of customer satisfaction survey and we will engage with any consultations relevant to the delivery of local regulatory services where necessary.

## **GOVERNANCE ARRANGEMENTS**

The Management Board, comprising of a representative from each local authority will continue to support the development of the service, focussing on the strategic direction of the service and providing a conduit between the service and the respective partners to discuss local issues/priorities. The Board currently meet monthly and provide a strong link to the Joint Committee.

The Joint Committee, comprising of 2 elected members from each local authority, one of which must be a Cabinet member, meet quarterly. They have clear terms of reference are responsible for the development of the service, setting the budget, reviewing progress and performance and for providing political support for the service.

It should be noted that Licensing Act issues are reserved matters which are dealt with by respective licensing committees.

**RISK**

The service risk register is completed and has been approved by Management Board. It is included in the service forward plan so is reviewed routinely at Board meetings by exception and fully on an annual basis. A copy is included with this plan as Appendix 4.

**AUDIT ARRANGEMENTS**

The Internal Audit Service will be provided under the current joint arrangement by Worcester City Council to the Host Authority. The participating authorities S151 Officers will consider the Audit Plan of the Host to ensure adequate arrangements are in place. An assurance statement and copies of relevant Audit reports will be made available to the S151 officers when audits are undertaken.

The External Auditors (Audit Commission) of the Host Authority will provide an Audit opinion of the Joint Arrangement as a separate entity to the Host. The Financial Statement of Accounts will be presented to the Joint Committee in June for approval within the statutory deadline.

Member Authorities will liaise about requests from their Overview and Scrutiny Committees and Audit Committees and shall use reasonable endeavours to agree joint scrutiny arrangements with a view to avoiding duplication of effort

# APPENDIX 1: STRUCTURE

Head of Regulatory Services  
Steve Jorden  
01527-881466

P.A. to Head of Service  
Denise Deakin  
01527-881415

Business Manager  
Simon Wilkes  
01527-548314

Business Manager  
Mark Kay (Acting role)  
01527-548276

Community Protection  
Team Manager West  
Geoff Carpenter  
01527-548231

Complaint Investigation re:

- Consumer
- Complaints (except Food and H&S)
- Underage Sales
- Doorstep Crime
- Internet Crime
- Informal Economy
- Counterfeiting and Scams
- Rogue Trading
- Street Trading
- Private Water
- Supplies
- Nuisances
- Consumer Advice
- Redress Facilitation
- Civil Enforcement
- Drainage, Etc
- Environmental
- Permitting
- Public
- Burials/Exhumations

Enforcement, both Complaints and Inspections]

- Alcohol Licensing

Community Protection  
Team Manager East  
Lisa Roberts  
01527-548267

Complaint Investigation re:

- Consumer
- Complaints (except Food and H&S)
- Underage Sales
- Doorstep Crime
- Internet Crime
- Informal Economy
- Counterfeiting and Scams
- Rogue Trading
- Street Trading
- Private Water
- Supplies
- Nuisances
- Consumer Advice
- Redress Facilitation
- Civil Enforcement
- Drainage, Etc
- Environmental
- Permitting
- Public
- Burials/Exhumations

Enforcement, both Complaints and Inspections]

- Alcohol Licensing

Business Compliance  
Team Manager West  
Anita Fletcher  
01527-548204

All Risk Assessed Inspections and Sampling

- Food (Safety & Composition)
- Fair Trading
- Product Safety
- Metrology
- Health and Safety
- Petroleum and Explosives
- Environmental
- Issues re Packaging/ Labelling
- Infectious Diseases
- Food Poisoning
- Accident
- Investigation
- Health and Wellbeing
- Education and Award Schemes
- Home Authority
- Regulatory
- Awareness
- Training
- Food and H&S
- Complaints
- Accident
- Investigations

Business Compliance  
Team Manager East  
Chris Phillips  
01527-548217

All Risk Assessed Inspections and Sampling

- Food (Safety & Composition)
- Fair Trading
- Product Safety
- Metrology
- Health and Safety
- Petroleum and Explosives
- Environmental
- Issues re Packaging/ Labelling
- Infectious Diseases
- Food Poisoning
- Accident
- Investigation
- Health and Wellbeing
- Education and Award Schemes
- Home Authority
- Regulatory
- Awareness
- Training
- Food and H&S
- Complaints
- Accident
- Investigations

Central Operations  
Team Manager  
Andy Ferguson  
01527-548208

Animal Health and Welfare

- Notifiable Animal Disease prevention
- Dog Warden
- Pests
- Enforcement of Licensing Conditions for Animal Businesses
- Animal By-Products
- Contaminated Land
- Air Quality
- Private Water
- Supplies
- Planning
- Consultations

Licensing Team  
Manager  
To be covered by Acting-up

All Licensing Functions other than Enforcement

- Taxi Licensing enforcement

Support Team  
Manager  
David Mellors  
01527-548221

- HUB Liaison
- Quality Assurance
- Business Transformation
- Policy
- Development
- IT Support & Data Control
- Performance Monitoring
- Training and Development
- Communications
- Legal Admin
- Administrative Support
- Finance/Grants
- Business Continuity
- Trader Register
- Intell Monitoring
- Public Information/Registers
- Health/Wellbeing
- Co-ordinator
- Risk Management

## APPENDIX 2: OPERATING ENVIRONMENT

Government initiatives and policy changes likely to impact in the short to medium term

### 1. “Better Regulation” Agenda

The Government has published its response to a recent consultation titled “*Transforming Regulatory Outcomes*”. There is a clear dichotomy in Government’s view of local authority regulatory activity. Department of Business, Innovation and Skills’ report states “*there is evidence of good practice of regulators and business working together on compliance, there are too many areas where on the enforcement of regulation is heavy-handed, inefficient, overly prescriptive and culturally risk-averse,*” and, “*None of this should be taken as overlooking the important role regulation plays, safeguarding public health, for example, or protecting consumers and the environment*”.

The dominant view is one of local authority regulators being a burden on business, introducing unnecessary bureaucracy in a risk-averse way that hinders economic growth. Their view is that greater accountability; recognising and promoting good practice and greater transparency should form the basis of their strategy to improve the outcomes of enforcement activity. The report does recognise local authorities are

*“...responsible for securing compliance with a large and diverse range of regulations. They also provide support and high quality tailored advice of the kind which is particularly important to smaller business” and “Local regulatory professionals can provide low cost authoritative advice that can make a real difference to the way that local businesses operate.”*

Key changes expected in the next 1- 2 years from Government are:

- The introduction of a web based tool to collect information and views on regulators and enforcement (including local authorities);
- A review of all regulators to see where fundamental reform is required but a specific requirement that “*they want a sharp reduction in overall unnecessary inspections and have a presumption that regulators primary role is to help businesses comply rather than to penalise them for not doing so*”. It is clear that central government enforcement agencies will be subject to a rolling programme of these reviews and that these will impact on local authorities due to changing policies or guidance, but it is not clear if/how any reviews will be applied directly to local authorities;
- Publication of data listing all regulators, size, budget, level of activity including numbers of inspections and prosecutions and business views on behaviour and performance. Again there is no clarity as yet as to how this will apply to local authorities;
- Increasing focus on the Primary Authority (PA) scheme and Local Enterprise Partnerships as being critical going forward. In particular they quote LEPS as having, “*...a lead role in transforming the way that regulation impacts at a local level*”. WRS is looking to engage

both of the LEPS that our constituent authorities are supporting and we will look at the best ways to engage. PA is view by Government as a positive measure (i.e. where a local authority provides support and guidance to a business with its head office in its area and this advice must be borne in mind by other regulators,) and the way to address many of the perceived issues of businesses and government;

- An extension of the PA scheme to cover other business models not currently covered (e.g. franchises, trade associations etc), an extension in scope to include age-related sales including gambling and knives. A pilot extension of PA into fire safety. At this point there is no intention to extend it to the Licensing Act due to concern raised by police and local authorities about the loss of local decision making and accountability BUT the report states "...we will continue to consider this issue carefully in consultation with local authorities and the police, including the consideration of a pilot within existing legislation".
- The devil will be in the detail in relation to such an implementation and WRS will contribute to any further consultations on implementation;
- The Government also want to promote the role of co-regulation (i.e. the formal sharing of responsibility for compliance between the state and third parties). They state that "*businesses should be rewarded for consistently good behaviour for example by reducing the burden of inspections*". WRS is seeking to deploy this approach for those areas where it is felt possible to make it work but also recognises that co-regulation is a misnomer in some areas (e.g. rogue trading, counterfeiting, etc). Primary authority is again quoted by Government as a key tool in delivering this vision. However, it is possible that both elected members and the public may express concerns about businesses not receiving inspections at their historical frequency and the closeness of the relationship engendered by the PA scheme between business and the regulator;
- A review and reinforcement of the Regulators Compliance Code.

## **2. Review of the Consumer Landscape**

The Department of Business, Innovation and Skills (BIS) has been consulting on major changes to the consumer protection landscape in Great Britain. The formal Government response is expected in February 2012. It proposed radical changes to the provision of consumer information, advice, education, and advocacy with Citizens Advice becoming the lead agency for most of this work. It proposes that all consumer protection functions delivered regionally/nationally under various BIS direct grants and some work currently done by the Office of Fair Trading could be delivered by lead council trading standards services or groups of trading standards services working together.

There is likely to be a political level oversight structure comprising politicians from the LGA and BIS. At an operational level, Heads of Trading Standards will be responsible for the delivery and governance. This will be via a national trading standards policy board which will have regional representation. WRS is already a very active partner in CeNTSA (Central England Trading Standards Authorities) and these changes will require a focus on working with partners in the area and ensuring the WRS voice is heard at the national level via its Board representative.

These proposals do not in any way affect the vast majority of Trading Standards work which will continue to be wholly delivered, funded and managed locally by councils, but it will have a big impact, and increase local authority control over, regionally and nationally delivered consumer protection work which helps Worcestershire residents in terms of dealing with loan sharks, internet frauds, major scams, etc, WRS must therefore continue to work regionally and indeed nationally in delivering some aspects of service.

**3. Age Restricted Sales**

The Local Better Regulation Office (LBRO) have published a framework of principles clarifying responsibilities of all parties affected by sales of age-restricted products and are developing a new code of practice.

The responsibilities of regulators focus on being transparent, targeted and proportionate and WRS already operates in this way so this is unlikely to impact on our approach. However as yet the detail of the Code has not been published, nor is it clear whether or not the Government intend to make it voluntary and mandatory. This could affect the enforcement of age restricted sales legislation in all areas from next year.

**4. Macdonald Report into Farming Regulation**

The Farming Regulation Task Force made over 200 recommendations to Department of Environment, Food and Rural Affairs. It concluded that “*DEFRA, its agencies and delivery partners need to establish an entirely new approach to regulation, including a tighter risk based approach to regulation, rewarding good practice with less frequent inspection.*”

The Government has highlighted a range of developments that may change how WRS undertakes its on-farm regulation over the next 1-5 years, including:

- A review all key areas of farming regulation over the next 2 years
- an increasing emphasis on partnership approaches.
- Improving Inspections through Earned Recognition.
- Improved data sharing between local authorities and DEFRA
- Services and guidance will be on-line where possible.
- Changes to the Nitrates Directive and the Integrated Pollution Prevention and Control regime for farms.
- Development of E-reporting of sheep movements.
- Possible changes to livestock standstill controls in the event of a disease outbreak.

**5. Public Health**

The continued increased role of local authorities in the public health arena will also directly impact on WRS activities. We already work closely with the Health and Wellbeing Boards and Director of Public Health.

#### **6. Changes to Powers**

A consultation is expected in February 2012 which could fundamentally alter the powers available to WRS to carry out its trading standards work. The Consumer Rights Bill is expected to contain provision to simplify and rationalise many different sets of powers which are currently contained in a plethora of different legislation. This is to be welcomed but there are concerns that the legislation will also seek to remove the local authority's ability to enter some premises without a court warrant or to limit entry powers to set hours during the day (9-5etc) and to limit the ability to carry out unannounced inspections. As yet the detail is not clear but WRS will ensure it inputs into any consultation once published.

#### **7. Food Standards Agency Fundamental Review of Enforcement**

In January 2011 the Food Standards Agency Board agreed to undertake a review of the effectiveness of the current model of enforcement. It will cover food and feed safety official controls and associated activities undertaken by local authorities. The FSA confirmed that they "remain entirely open-minded about what may emerge from the review process and envisage it will take at least 24 months to complete". The most likely early changes, if indeed there are any, may be in terms of the enforcement of animal feed controls at import points and in high risk premises where the FSA have been concerned at some time about local authority performance. WRS has decided, in consultation with the FSA, to use its "Scores on the Doors" rating scheme to help target resources at 0, 1 and 2 star premises.

#### **8. Licensing Act – Deregulation of Regulated Entertainment**

The Government are currently consulting on changes to the licensing regime, which could mean events of up to 5000 people will not require any form of licence unless they are selling alcohol. This could include those where amplified music is played. WRS has key concerns about the impact of noise and other nuisances on the local communities of this were to happen and has responded to the consultation accordingly. The government is expected to make its response early in 2012 when we will be clear on the timescales and scope of any changes and the impact it has on how WRS deals with both its licensing and statutory nuisance activities.

#### **9. Future Budget Issues for Partners**

Economic prospects continue to look problematic going forward and it seems highly likely that partners will seek further reductions in their budgetary contributions going forward. This will have implications for service delivery as all of the less difficult cost reductions will have taken place and it is likely that we will have to consider what elements of service delivery are stopped in order to meet these financial constraints.

## APPENDIX 3: MEASURES

	MEASURE	REPORTING FREQUENCY	WHAT DOES GOOD LOOK LIKE
1	% of service requests where resolution is achieved to customers satisfaction	Quarterly	Improving trend from baseline data at year1
2	% of service requests where resolution is achieved to business satisfaction	Quarterly	Improving trend from baseline data at year1
3	% businesses meeting purpose at first assessment/ inspection by category	Annually	Improving trend from baseline data at year1
4	% of food businesses scoring 0,1,2* at 1 <sup>st</sup> April each year	Annually	Improving trend from baseline data at year1
5	% of practices harmful to collective consumer interests that are stopped	Quarterly	Reducing trend from baseline data at year 1
6	% of products originating in Worcestershire that pass the tests applied to them	Quarterly	Improving trend from baseline data at year1
7	Value (£) of contracts that are subject to intervention by officers on behalf of customers	Quarterly	Improving trend from baseline data at year1
8	Reduced trend in number of work related accidents and injuries	Quarterly	Reducing trend from baseline data at year 1
9	% of service requests defined as "statutory nuisance" abated	Quarterly	Improving trend from baseline data at year1
10	Reduced trend in incidents of food-borne illness within County	Quarterly	Improving trend from baseline data at year1

11	Action plans are in place where necessary to support delivery of improvements	Annually	Yes
12	% geographic area of the county that has been reviewed for the presence of historical activity that may have resulted in contamination	Quarterly	Improving trend from baseline data at year1
13	% of private drinking water supplies in the County that pass the tests applied to them	Quarterly	Improving trend from baseline data at year1
14	% of licensed businesses subject to allegations of not upholding the 4 licensing objectives	Quarterly	Reducing trend from baseline data at year 1
15	% of applicants for driver licenses rejected as not fit and proper	Quarterly	Reducing trend from baseline data at year 1
16	% of vehicles found to be defective whilst in service	Quarterly	Reducing trend from baseline data at year 1
17	% of businesses that pass an attempt at test purchase for a relevant product	Quarterly	Improving trend from baseline data at year1
18	% of service requests where customer indicates they feel better equipped to deal with issues themselves in future	Quarterly	Improving trend from baseline data at year1
19	Improved end to end time by function	Quarterly	Improving trend from baseline data at year1
20	Register of compliments and complaints with actions taken	Quarterly	Increasing number of compliments Reduced number of complaints against service Corrective actions taken

21	Increased number of hits on website	Quarterly	Improving trend from baseline data at year1
22	Staff sickness and absence at national average or better	Quarterly	8.75 days or better
23	% of staff who enjoy working for WRS	Annually	Improving trend from baseline data at year1
24	Capability charts plotting staff skills against demand	Annually	Training Plan in place Improved customer and business satisfaction results.
25	Business Continuity and Disease response plans are maintained, reviewed and updated on a regular basis	Annually	Yes

**APPENDIX 4: CURRENT RISK REGISTER**  
**(See Separate Sheet)**

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**Risk Matrix**

Likelihood	Impact			
	Category	LOW	MEDIUM	HIGH
Likelihood	HIGH	3	6	9
	MEDIUM	2	4	6
	LOW	1	2	3

**Action Ratings**

<b>High</b>	Actions that are <b>fundamental</b> to improve the control environment and progress towards an acceptable risk score.
<b>Medium</b>	Actions that are <b>important</b> to improve the control environment and progress towards an acceptable risk score.
<b>Low</b>	Actions that are <b>desirable</b> to improve the control environment and progress towards an acceptable risk score.

**Risk Scorecard**

Category	IMPACT		
	LOW	MEDIUM	HIGH
<b>Financial</b>	< £150k Minor non-compliance with internal financial procedures	£150k - £300k Significant non-compliance with internal financial procedures	> £300k Major non-compliance with internal financial procedures
<b>Political</b>	Minor issues identified by assurance reviews Minor adverse Local media	Significant issues identified by assurance reviews Significant adverse Local media	Major issues identified by assurance reviews Major adverse Local, Regional or National media Major BVPI issues
<b>Social</b>	Minor BVPI issues Service delay Stakeholders consulted and concerns considered	Service suspended Limited stakeholder consultation	Service cancelled Stakeholders not consulted and concerns not considered
<b>Technical</b>	Minor system problems Minor impact on resources (staff, equipment, buildings, etc.)	Significant system problems Significant impact on resources (staff, equipment, buildings, etc.)	Major system problems Major impact on resources (staff, equipment, buildings, etc.)
<b>Legal</b>	Minor non-compliance with legislation or statutory requirements	Significant non-compliance with legislation or statutory requirements	Major non-compliance with legislation or statutory requirements
<b>Environmental</b>	Minor penalty or warning Minor District health or cleanliness issues Minor schemes not consistent with stakeholder expectations	Significant penalty or warning Significant District health or cleanliness issues Significant schemes not consistent with stakeholder expectations	Major penalty or warning Major District health or cleanliness issues Major schemes not consistent with stakeholder expectations
<b>Performance (WETT, Shared Service)</b>	Minor dip in productivity/performance as a result of shared service implementation	Significant dip in productivity/performance as a result of shared service implementation	Major dip in productivity/performance as a result of shared service implementation
<b>Climate Change (Severe Weather Events)</b>	Minor service delay e.g. waste collection cancelled as a result of snow; prolonged heat leading to melting roads; increased risk of fires.	Significant disruption to services e.g. potential risk to health; lack of power.	Major service delivery issues e.g. leading to loss of life; major damage to property, disruption to local economy.

LIKELIHOOD		
Category	LOW	HIGH
<b>Occurrence Probability</b>	> 18 months < 30%	< 6 months > 70%

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Service: Regulatory

Key Objective: Ref. No. 1		Key Objective: Ref. No. 2		Key Objective: Ref. No. 3		Key Objective: Ref. No. 4					
One effective and efficient database system across the partners		Effective and efficient Business Continuity arrangements in place		Maintain our capacity to achieve service delivery		Effective and efficient contract arrangement for dog control					
Responsibility:	SJ	Responsibility:	SJ	Responsibility:	SJ	Responsibility:	SJ				
Associated Key Risk(s)		Associated Key Risk(s)		Associated Key Risk(s)		Associated Key Risk(s)					
Delays in procuring new single WRS IT System		Major Power failures or other reasons that access to Wyatt House is not possible		Major staff sickness (e.g. flu pandemic)		Pest and Dog Control contractors cease operations					
Migration of the seven to one may be expensive. Could involve large scale data cleansing				Unable to recruit or retain suitably qualified staff		Lack of kennelling for stray dogs					
Significant training needs to enable staff to input information accurately											
Question whether there will be sufficient expertise within the new structure to support the migration											
Impact(s)		Impact(s)		Impact(s)		Impact(s)					
Disruption to Service Provision		Disruption to service		Disruption to service		Disruption to service					
Inability to produce records and data				Disruption to service provision		Negative media coverage					
Impact on work planning				Unable to meet service demands		Increased public health risks					
				Unable to fulfil statutory obligations							
High Impact Areas		High Impact Areas		High Impact Areas		High Impact Areas					
Financial	H	Financial	L	Financial	M	Financial	L				
Political	H	Political	L	Political	M	Political	M				
Social	L	Social	M	Social	M	Social	M				
Technical	H	Technical	L	Technical	L	Technical	L				
Legal	L	Legal	L	Legal	L	Legal	L				
Environmental	L	Environmental	L	Environmental	M	Environmental	L				
Performance	M	Performance	L	Performance	M	Performance	L				
Climate Change	L	Climate Change	L	Climate Change	L	Climate Change	L				
Current		Acceptable		Current		Acceptable		Current		Acceptable	
Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact	Likelihood
High	Low	Low	Low	Medium	Low	Medium	Low	Low	High	Medium	Low
Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)	
AMBER (3)		GREEN (1)		GREEN (2)		GREEN (2)		AMBER (3)		GREEN (2)	

Current Key Controls
Outcomes of Systems Thinking fed into design of ICT spec
Procurement is part of the project plan and timescales agreed by management Board.

Current Key Controls
Staff are equipped for mobile/home working
Touchdown stations available in partner council locations

Current Key Controls
Service priorities to be managed and partners informed of any changes to service
Short term contract workers can be brought in to cover any priority areas
Consultants can provide short term cover
Active within regional and sub regional groups to share resources if required
Effective training and development processes in place to ensure recruitment and retention of staff

Current Key Controls
Budget available to use temporary staff or buy in use of other private sector providers in short term
Effective negotiation of new contracts during 2011/12

Action Ref.	Rating	Actions / Improvements
1.1	High	Design specification correctly and on time
1.2	High	Follow procurement process in timely fashion
1.3	High	Ensure sufficient in-house support for system maintenance and
1.4		
1.5		
1.6		
1.7		
1.8		
1.9		
1.10		
1.11		
1.12		
1.13		
1.14		
1.15		

Action Ref.	Rating	Action / Improvements
2.1	Low	Mobile / flexible working equipment for all staff
2.2	Low	Have business continuity plan in place
2.3		
2.4		
2.5		
2.6		
2.7		
2.8		
2.9		
2.10		
2.11		
2.12		
2.13		
2.14		
2.15		

Action Ref.	Rating	Action / Improvements
3.1	Low	Have business continuity plan in place
3.2	Medium	Active participation regional, sub regional groups by team members
3.3		
3.4		
3.5		
3.6		
3.7		
3.8		
3.9		
3.10		
3.11		
3.12		
3.13		
3.14		
3.15		

Action Ref.	Rating	Action / Improvements
4.1	Medium	Design specifications contracts correctly and on time
4.2	Medium	Follow procurement process in timely fashion
4.3	Medium	Restructure dog warden service
4.4		
4.5		
4.6		
4.7		
4.8		
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4.10		
4.11		
4.12		
4.13		
4.14		
4.15		

<b>Completed by:</b> Wendy Martin
<b>Job Title:</b> Business Manager
<b>Date:</b> 12/09/11

Key Objective: Ref. No. 5		Key Objective: Ref. No. 6		Key Objective: Ref. No. 7		Key Objective: Ref. No. 8					
Robust arrangements in place in relation to obtaining legal advice and monitoring legislative changes		Robust arrangements in place to respond to an environmental incident/disaster		Effective and efficient budgetary control		Service provision complies with Government requirements					
Responsibility:	SJ	Responsibility:	SJ	Responsibility:	SJ	Responsibility:	SJ				
Associated Key Risk(s)		Associated Key Risk(s)		Associated Key Risk(s)		Associated Key Risk(s)					
Loss of Major Court Case		Major infectious disease, incident or animal disease outbreak		Failure to maintain effective budgetary control		Criticism or intervention by Government if they are unhappy with service provision					
Need to ensure the legal vires of the service doing what is required by constituent authorities, to											
There may be large on-going cases that could have significant impact on the finances of the new service if they are not won.											
Impact(s)		Impact(s)		Impact(s)		Impact(s)					
Negative media coverage		Negative media coverage if not handled well		Financial loss		Reputational damage					
Loss of confidence in the service		Impact on other service areas		Inability to pay staff/contractors							
Financial loss		Well-being of staff		Reputational damage							
		Impact on local communities (health, economic, etc)									
High Impact Areas		High Impact Areas		High Impact Areas		High Impact Areas					
Financial	H	Financial	H	Financial	H	Financial	L				
Political	H	Political	H	Political	H	Political	M				
Social	L	Social	H	Social	M	Social	L				
Technical	L	Technical	L	Technical	L	Technical	L				
Legal	M	Legal	M	Legal	M	Legal	L				
Environmental	L	Environmental	H	Environmental	L	Environmental	L				
Performance	L	Performance	M	Performance	M	Performance	L				
Climate Change	L	Climate Change	L	Climate Change	L	Climate Change	L				
Current		Acceptable		Current		Acceptable		Current		Acceptable	
Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact	Likelihood
Medium	Low	Medium	Low	High	Low	Medium	Low	Low	Low	Low	Low
Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)		Risk Colour (Score)	
GREEN (2)		GREEN (2)		AMBER (3)		AMBER (3)		GREEN (2)		GREEN (2)	

Current Key Controls
Use of competent staff to undertake investigations
Proper scheme of delegation to ensure authority to take legal decision is clear
Clear enforcement of policy in place
Ensure compliance with legal procedures
Effective liaison with partner councils legal services departments

Current Key Controls
Maintain robust emergency plans
An arrangement in place for Managers to deploy staff to support other teams

Current Key Controls
Devolution of cost centres to managers
Monthly reporting within WRS
Quarterly reporting to management board and Joint Committee
Compliance with Bromsgrove's financial procedures

Current Key Controls
Keep key government stakeholders apprised of WRS plans and business transformation and address any concerns at an early stage

Action Ref.	Rating	Action / Improvements
5.1	Medium	Legal advice to be sought throughout the entire process using internal and external lawyers according to the information required.
5.2		
5.3		
5.4		
5.5		
5.6		
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5.8		
5.9		
5.1		
5.11		
5.12		
5.13		
5.14		
5.15		

Action Ref.	Rating	Action / Improvements
6.1	Medium	Maintain emergency plans for foreseeable incidents
6.2		
6.3		
6.4		
6.5		
6.6		
6.7		
6.8		
6.9		
6.1		
6.11		
6.12		
6.13		
6.14		
6.15		

Action Ref.	Rating	Action / Improvements
7.1	Medium	Monthly monitoring of budgets
7.2	Low	Regular report to Management Board
7.3		
7.4		
7.5		
7.6		
7.7		
7.8		
7.9		
7.1		
7.11		
7.12		
7.13		
7.14		
7.15		

Action Ref.	Rating	Action / Improvements
8.1	Low	Ongoing liaison with Government stakeholders
8.2		
8.3		
8.4		
8.5		
8.6		
8.7		
8.8		
8.9		
8.1		
8.11		
8.12		
8.13		
8.14		
8.15		



Current Key Controls			Current Key Controls			Current Key Controls			Current Key Controls		

Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements
9.1	High	Partners conform with legal agreement on budgetary cost	10.1	Medium	Maintain ongoing liaison with host authority	11.1	Medium	Ensure good communications back to the constituent authorities	12.1	Medium	Ongoing liaison with relevant parts in partner councils (eg Planning)
9.2			10.2	Medium	Ensure Management Board informed of significant failings	11.2	Low	Ensure all publicity pushes the joint nature of services	12.2		
9.3			10.3	High	Host authority to deal with issues in a timely fashion	11.3	Low	Maintaining "localism" into the operational delivery	12.3		
9.4			10.4			11.4			12.4		
9.5			10.5			11.5			12.5		
9.6			10.6			11.6			12.6		
9.7			10.7			11.7			12.7		
9.8			10.8			11.8			12.8		
9.9			10.9			11.9			12.9		
9.10			10.10			11.10			12.10		
9.11			10.11			11.11			12.11		
9.12			10.12			11.12			12.12		
9.13			10.13			11.13			12.13		
9.14			10.14			11.14			12.14		
9.15			10.15			11.15			12.15		



Current Key Controls			Current Key Controls			Current Key Controls		

Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements	Action Ref.	Rating	Action / Improvements
13.1	Medium	Have clear scripting for Customer Service staff so that they know the different provisions in each district	14.1	High	Clear timetable for application of systems thinking in all areas	15.1		
13.2	Medium	Gradually move towards a more standardised approach within the demands of individual local authorities	14.2	High	Implement changes in timetable	15.2		
13.3			14.3	Medium	Effective communication with staff around change procedures	15.3		
13.4			14.4	Medium	Regular reports to Management Board	15.4		
13.5			14.5	Low	Ensure all managers and senior practitioners have had change management training	15.5		
13.6			14.6			15.6		
13.7			14.7			15.7		
13.8			14.8			15.8		
13.9			14.9			15.9		
13.10			14.10			15.10		
13.11			14.11			15.11		
13.12			14.12			15.12		
13.13			14.13			15.13		
13.14			14.14			15.14		
13.15			14.15			15.15		

Risk Register

Service: Regulatory	Current Position Key:
	Behind Target
	On Target
	Completed

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
1	One effective and efficient database system across the partners	1.1	Design specification correctly and on time	SW	Business Manager	Oct-11	High		
		1.2	Follow procurement process in timely fashion	SW	Business Manager	Mar-12	High		
		1.3	Ensure sufficient in-house support for system maintenance and	SW	Business Manager	Mar-12	High		
		1.4							
		1.5							
		1.6							
		1.7							
		1.8							
		1.9							
		1.10							
		1.11							
		1.12							
		1.13							
		1.14							
		1.15							
2	Effective and efficient Business Continuity arrangements in place	2.1	Mobile / flexible working equipment for all staff	Team Managers	Team Managers	Dec-11	Low		
		2.2	Have business continuity plan in place	Level B	Business Manager	Mar-12	Low		
		2.3							
		2.4							
		2.5							
		2.6							
		2.7							
		2.8							
		2.9							
		2.10							
		2.11							
		2.12							
		2.13							
		2.14							
		2.15							

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
3	Maintain our capacity to achieve service delivery	3.1	Have business continuity plan in place	Level B	Business Manager	Mar-12	Low		
		3.2	Active participation regional, sub regional groups by team members	Team Managers	Team Managers	Ongoing	Medium		
		3.3							
		3.4							
		3.5							
		3.6							
		3.7							
		3.8							
		3.9							
		3.10							
		3.11							
		3.12							
		3.13							
		3.14							
		3.15							
4	Effective and efficient contract arrangement for dog control	4.1	Design specifications contracts correctly and on time	WM/AF	Business Manager/Team Manager (Central Operations)	Sep-11	Medium		
		4.2	Follow procurement process in timely fashion	WM/AF	Business Manager/Team Manager (Central Operations)	Dec-11	Medium		
		4.3	Restructure dog warden service	Level B/AF	Business Manager/Team Manager (Central Operations)	Mar-12	Medium		
		4.4							
		4.5							
		4.6							
		4.7							
		4.8							
		4.9							
		4.10							
		4.11							
		4.12							
		4.13							
		4.14							
		4.15							

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
5	Robust arrangements in place in relation to obtaining legal advice and monitoring legislative changes	5.1	Legal advice to be sought throughout the entire process using internal and external lawyers according to the information required.	Team Managers	Team Managers	Ongoing	Medium		
		5.2							
		5.3							
		5.4							
		5.5							
		5.6							
		5.7							
		5.8							
		5.9							
		5.10							
		5.11							
		5.12							
		5.13							
		5.14							
		5.15							
6	Robust arrangements in place to respond to an environmental incident/disaster	6.1	Maintain emergency plans for foreseeable incidents	Team Manager	Team Managers	Ongoing	Medium		
		6.2							
		6.3							
		6.4							
		6.5							
		6.6							
		6.7							
		6.8							
		6.9							
		6.10							
		6.11							
		6.12							
		6.13							
		6.14							
		6.15							

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments	
7	Effective and efficient budgetary control	7.1	Monthly monitoring of budgets	Team Managers	Team manager	Ongoing	Medium			
		7.2	Regular report to Management Board	SJ	Head of Regulatory Services	Ongoing	Low			
		7.3								
		7.4								
		7.5								
		7.6								
		7.7								
		7.8								
		7.9								
		7.10								
		7.11								
		7.12								
		7.13								
		7.14								
7.15										
8	Service provision complies with Government requirements	8.1	Ongoing liaison with Government stakeholders	SJ	Head of Regulatory Services	Ongoing	Low			
		8.2								
		8.3								
		8.4								
		8.5								
		8.6								
		8.7								
		8.8								
		8.9								
		8.10								
		8.11								
		8.12								
		8.13								
		8.14								
		8.15								

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
9	Achieve stable levels of contribution from partner authorities.	9.1	Partners conform with legal agreement on budgetary cost	Management Board	Management Board members	Ongoing	High		
		9.2							
		9.3							
		9.4							
		9.5							
		9.6							
		9.7							
		9.8							
		9.9							
		9.10							
		9.11							
		9.12							
		9.13							
		9.14							
		9.15							
10	Host provides high quality support services to ensure effective service provision	10.1	Maintain ongoing liaison with host authority	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers and Team Managers	Ongoing	Medium		
		10.2	Ensure Management Board informed of significant failings	SJ	Head of Regulatory Services	Ongoing	Medium		
		10.3	Host authority to deal with issues in a timely fashion	KD	Chief Executive, Bromsgrove	Ongoing	High		
		10.4							
		10.5							
		10.6							
		10.7							
		10.8							
		10.9							
		10.10							
		10.11							
		10.12							
		10.13							
		10.14							
		10.15							

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
11	Minimise any perceived or real democratic deficit	11.1	Ensure good communications back to the constituent authorities	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Ongoing	Medium		
		11.2	Ensure all publicity pushes the joint nature of services	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Ongoing	Low		
		11.3	Maintaining "localism" into the operational delivery	Senior Management Team	Head of Regulatory Services, Business Managers,	Ongoing	Low		
		11.4							
		11.5							
		11.6							
		11.7							
		11.8							
		11.9							
		11.10							
		11.11							
		11.12							
		11.13							
		11.14							
		11.15							
12	Effective communication with internal partners	12.1	Ongoing liaison with relevant parts in partner councils (eg Planning)	Team Manager	Team Managers	Ongoing	Medium		
		12.2							
		12.3							
		12.4							
		12.5							
		12.6							
		12.7							
		12.8							
		12.9							
		12.10							
		12.11							
		12.12							
		12.13							
		12.14							
		12.15							

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments	
13	Development where possible of harmonised approach to service delivery by partners	13.1	Have clear scripting for Customer Service staff so that they know the different provisions in each district	Team Manager	Team Managers	Ongoing	Medium			
			Gradually move towards a more standardised approach within the demands of individual local authorities	Senior Management Team	Head of Regulatory Services, Business Managers	Ongoing	Medium			
		13.2								
		13.3								
		13.4								
		13.5								
		13.6								
		13.7								
		13.8								
		13.9								
		13.10								
		13.11								
		13.12								
		13.13								
		13.14								
13.15										
14	Business transformation to deliver required cost savings	14.1	Clear timetable for application of systems thinking in all areas	DM	Team manager Support Services	Sep-11	High			
			Implement changes in timetable	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Dec-11	High			
		14.2	Effective communication with staff around change procedures	Team Managers and Senior Management Team	Head of Regulatory Services, Business Managers, Team Managers	Ongoing	Medium			
		14.3	Regular reports to Management Board	SJ	Head of Regulatory Services,	Ongoing	Medium			
		14.4	Ensure all managers and senior practitioners have had change management training	Senior Management Team	Head of Regulatory Services, Business Managers,	30/09/11	Low			
		14.5								
		14.6								
		14.7								
		14.8								
		14.9								
		14.10								
		14.11								
		14.12								
		14.13								
		14.14								
14.15										

Key Risk Ref. No.	Key Risk	Action Ref.	Actions / Improvements	Responsible Officer (Name)	Responsible Officer (Job Title)	Target Completion Date (Month/Year)	Rating	End of Year Position	Comments
15		15.1							
		15.2							
		15.3							
		15.4							
		15.5							
		15.6							
		15.7							
		15.8							
		15.9							
		15.10							
		15.11							
		15.12							
		15.13							
		15.14							
		15.15							

<b>Completed by:</b> Wendy Martin
<b>Job Title:</b> Business Manager
<b>Date:</b> 4/07/98



**Joint Committee**  
**23rd February 2012**

**REGULATORY SERVICES FINANCIAL MONITORING APRIL - DECEMBER 2011/12**

**Recommendation**

That the Committee

- consider the financial position of the service for April – December 2011.

**Contribution to  
Priorities**

The development of a robust budget and financial management framework will ensure the priorities of the service are delivered within the agreed budget.

**Introduction/Summary**

The Worcestershire Shared Service Partnership commenced on the 1<sup>st</sup> June 2010, this is the second year for the operation of the joint provision of the service. The budget for this financial year (2011/12) was approved by the Joint Committee on the 25<sup>th</sup> November 2010.

This report provides members with details of the financial position from April 2011 to December 2011.

**Background**

As part of the financial management arrangements relating to the service a regular monitoring statement is produced for Members to ensure that costs are managed within the budget approved by participating Councils.

The Head of Service has regular discussions with finance colleagues to review costings and to address any issues that may arise.

The Regulatory Services Management and Project Board also consider the reports on a monthly basis.

**Report**

The following statements are included for the Committee's attention:

- Revenue Monitoring April – December 2011/12 – Appendix 1
- Capital Projected outturn position 2011/12 – Appendix 2

Appendix 1 details the financial position for the Regulatory Services function for the period from 1<sup>st</sup> April to 31st December 2011, with a projected outturn to the end of the financial year.

Reasons for variations in the expected level of expenditure are included in the Appendix. These have been agreed with the Head of Service and actions are in place to mitigate any current overspends to budget.

Salary – significant underspend

The 2011/12 salary budget projects a saving of £262k partly due to salary savings arising from two Grade B posts remaining vacant. One of these posts has now been filled following the temporary secondment for 6 months of a Grade C Manager. Plans are being made to backfill posts to cover this arrangement using internal resources where appropriate.

Car Allowance – overspend

The overspend anticipated on the Car Allowance budget of £19k reflects the agreement made to pay a 12 month disturbance allowance to staff for mileage costs associated with the move to Wyatt House. This is absorbed by other savings within the service and has ensured that staff are supported financially during the transition.

Agency Staffing Budget – Overspend

The anticipated overspend on the Agency Staffing Budget (£51k) has increased because additional agency staff are being required to backfill for those staff that have been seconded to support the service transformation project.

The projected underspend has increased from that previously estimated (£144k). This is due to a number of reasons:

- The continued staff vacancies as detailed above.
- A reduction in the anticipated expenditure on Furniture and Equipment as much of this was brought into the service from the partners.

Transformation Project - Projected Outturn

Capital spend in this financial year continues to be lower than anticipated, due to the decision to undergo transformation of the service before establishing its ICT needs. A Project Manager has now been appointed, with the process for the procurement of the Management Information System commencing in March 2012 following the result of the Transformation review, with procurement

completed in the coming financial year.

**Financial Implications**

None other than those stated in the Appendices

**Sustainability**

None as a direct result of this report

**Contact Points**

Jayne Pickering – 01527-881400  
Debbie Randall – 01527-881235

**Background Papers**

Detailed financial business case

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Direct Expenditure	Budget 2011/12	Budget April - Dec 2011/12	Actual April - Dec 2011/12	Variance April - Dec 2011/12	Projected Outturn 2011/12	Projected Outturn 2011/13	Variance
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	4,233	3,181	2,974	-207	3,971	-262	
Salary							Underspend is due to salary savings arising from two Grade B posts remaining vacant
Agency Staff	3	2	23	21	54	51	
Recruitment	0	0	5	5	5	5	
Subscription	5	4	1	-3	1	-4	
Training	2	2	0	-2	0	-2	
Employee Insurance	19	19	20	1	20	1	
CRB	0	0	0	0	0	0	
<b>Sub-Total - Employees</b>	<b>4,262</b>	<b>3,207</b>	<b>3,022</b>	<b>-185</b>	<b>4,051</b>	<b>-211</b>	
<b>Premises</b>							
Rent	0	0	39	39	39	39	Accommodation Charges paid to partners to 30/06/11 - prior to move to Wyatt House
Room Hire	6	4	2	-2	3	-3	
Business Rates	36	36	36	0	36	0	
Cleaning	8	6	6	0	10	2	
Repairs & Maintenance	1	1	6	5	8	7	
Service Charges	17	11	6	-5	10	-7	
Secure Storage	15	12	2	-11	14	-1	
Utilities	18	3	2	0	18	0	
Water & Sewerage Services	2	2	1	-1	2	-1	
<b>Sub-Total - Premises</b>	<b>103</b>	<b>74</b>	<b>99</b>	<b>25</b>	<b>139</b>	<b>36</b>	
<b>Transport</b>							
Vehicle Hire	8	5	1	-5	3	-5	
Vehicle Fuel	8	6	3	-2	5	-3	
Tyres	0	0	0	0	0	0	
Road Fund Tax	1	1	1	0	1	0	
Vehicle Insurance	3	3	3	0	3	0	
Vehicle Maintenance	10	8	1	-6	3	-7	
Car Lease	7	5	4	-1	7	0	
Car Allowances	208	155	167	12	227	19	
Public Transport	0	0	1	1	1	1	
<b>Sub-Total - Transport</b>	<b>245</b>	<b>182</b>	<b>181</b>	<b>-1</b>	<b>250</b>	<b>6</b>	
<b>Supplies and Services</b>							
Furniture & Equipment	81	43	27	-16	56	-25	This underspend is because furniture and equipment was brought into the service from the Partner Councils
Test Purchases	20	10	1	-10	9	-12	
Clothes, uniforms and laundry	8	5	3	-2	6	-2	
Printing & Photocopying	40	29	12	-17	21	-19	
CRB Checks (taxi)	9	7	10	3	13	4	
Publications	47	35	15	-20	25	-22	
Postage	9	7	7	0	13	4	
ICT	101	76	84	8	116	15	
Legal Costs	23	14	0	-14	6	-17	
Telephones	52	27	25	-2	53	1	
Training & Seminars	78	47	23	-24	45	-33	

	Budget 2011/12	Budget April - Dec 2011/112	Actual April - Dec 2011/12	Variance April- Dec 2011/12	Projected Outturn 2011/12	Projected Outturn 2011/13
<b>Direct Expenditure</b>	£'000	7	£'000	£'000	£'000	£'000
Car Parking & Subsistence		5	1	-5	1	-6



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## TRANSFORMATION PROJECT MONITORING 2011/12 PROJECTED OUTTURN

## APPENDIX 2

Capital Asset/ Investment description	Business Case Total Estimated Cost £'000	Total Budget 2011/12 (inc c/fwd from 2010/11) £'000	Actual Spend 2011/12 £'000	Projected Actual Spend to 31/03/12 £'000	Projected Variance to 31/03/12 £'000
ICT					
Management information system (based on average of Mouchel Phase 1 & 2 costs less back scanning)	431	431		100	-331
Integration costs - suppliers of other systems	100	60		0	-60
Host ICT development capacity - temporary additional uplift	150	77	22	77	0
Back scanning (provisional estimate for 30k files based on Mouchel costs)	105	55		0	-55
Content management system development	50	50		0	-50
Sharepoint (knowledge base) development	50	50		0	-50
Desktop/ pc hardware refresh	144	28	44	60	32
Server/ network refresh	60	20		10	-10
Workflow tool	50	25		12	-13
Process mapping & workflow development including self service	250	250		50	-200
Building works	10	10		0	-10
Cabling	2	2		2	0
Furniture	5	-1		0	1
Removals	5	5		0	-5
Project management	125	93	29	93	0
<b>Total</b>	<b>1,537</b>	<b>1,155</b>	<b>95</b>	<b>404</b>	<b>-751</b>
<b>Capital Grants</b>	<b>-270</b>	<b>-270</b>	<b>-87</b>	<b>-270</b>	<b>0</b>
<b>Total to be Funded by Partners</b>	<b>1,267</b>	<b>885</b>	<b>8</b>	<b>134</b>	<b>-751</b>

**Notes to statement:**

Management Information System - a consultant has now been appointed to the role of Project Manager for the implementation of the single system. Procurement will commence in March 2012. RIEP Grant reclaim has continued with a further drawdown now requested and received. Consideration will need to be ongoing as to the capital and revenue nature of the spend associated with the Transformation Project.

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**Joint Committee**  
**23rd February 2012**

**AUDIT COMMISSION – ANNUAL AUDIT LETTER 2010/11**

**Recommendation**

**Members note the recommendations included in the Annual Audit Letter 2010/11**

**Contribution to Priorities**

The development of robust financial and operational controls will ensure the priorities of the service are delivered within the agreed budget.

**Introduction/Summary**

The Audit Commission are the current external audit providers for the Worcestershire Shared Service Joint Committee. The auditors have a statutory responsibility to present an Annual Audit Letter in relation to the previous years accounts. The report as attached at Appendix A summarises the findings from the 2010/11 audit for the shared regulatory services function.

**Background**

The service was implemented in June 2010 and therefore the accounts represented a 10 month period.

An unqualified opinion was issued by the Audit Commission for this period. This opinion was presented in detail to the Joint Committee in September 2011.

**Report**

The Annual Audit Letter as attached at Appendix 1 summarises findings from the 2010/11 Audit. This considers 2 elements:

- Audit of financial statements
- Assessment of Value for Money arrangements.

A number of recommendations were made as a result of the audit these included:

- Accounts should be allocated to more than one officer
- A clear plan should be agreed by the Commission
- Reporting of certain items need to be more defined between participating Councils.
- Working papers to be improved

Officers have discussed these issues with the Audit Commission and have agreed that there are processes in place to address all of the concerns raised.

It is assumed that the accounts for 2011/12 will be audited to reflect the regulatory service body being classed as a Smaller Relevant Body. This will result in a simple Annual Return being prepared and therefore an anticipated reduction in fee.

Officers will continue to work with the Audit Commission to ensure the Joint Committee accounts and financial management arrangements will deliver compliant and informative accounts and policies in the future

**Financial Implications**

None other than those stated in the Appendix

**Sustainability**

None as a direct result of this report

**Contact Points**

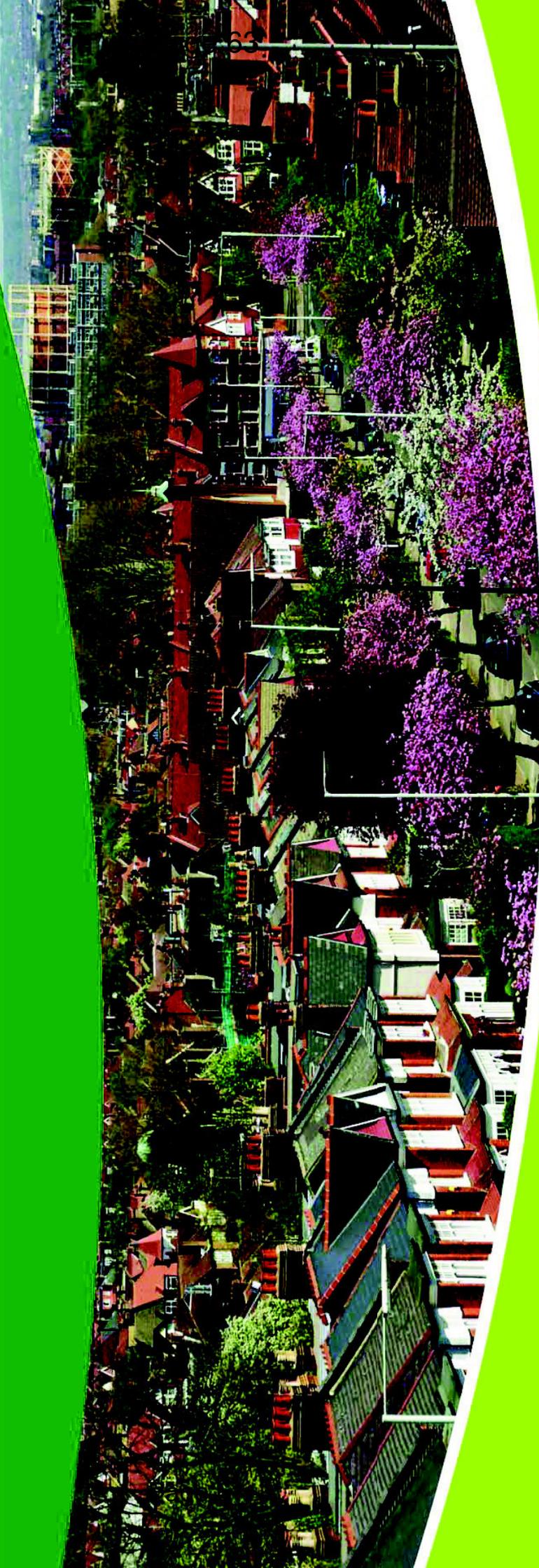
Jayne Pickering – 01527-881400

**Background Papers**

# Annual Audit Letter

Worcestershire Shared Services Joint Committee

Audit 2010/11



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**Traffic light explanation**  
Red ■ Amber ◆ Green ●

# Key messages

**This report summarises the findings from my 2010/11 audit. My audit comprises two elements:**

- **the audit of your financial statements; and**
- **my assessment of your arrangements to achieve value for money in your use of resources.**

**I have included only significant recommendations in this report. The Council has accepted these recommendations.**

Key audit risk	Our findings
Unqualified audit opinion	●
Proper arrangements to secure value for money	●

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## Value for money

### Audit opinion and financial statements

I issued an audit report including an unqualified opinion on the financial statements on 30 September 2011.

- Errors affecting the treatment of employee benefits and amounts refundable to participating bodies were identified during the audit that. The net impact of these was to understate total expenditure by £48k, overstate total income by £300k and net assets by £348k
- The 2011/12 budget shows that the Joint Committee is expected to operate at a level where it will be considered to be a smaller relevant body and as such will be subject to a limited assurance audit.

I issued an unqualified conclusion stating that the council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources on 30 September 2011.

- Annual running costs are reimbursed by the participating councils
- There is evidence that progress has been made towards reducing the costs of operating regulatory services, the organisation has reduced staff numbers and costs since it came into being.

# Financial statements and annual governance statement

---

**The Council's financial statements and annual governance statement are an important means by which the Council accounts for its stewardship of public funds.**

## **Overall conclusion from the audit**

I issued an unqualified opinion on the financial statements on 30 September 2011.

### **Smaller Relevant Body**

- 1 Where a local government body that is not a local authority has income or expenditure of less than £6.5 million the body is classed as a Smaller Relevant Body (SRB). This has two results. SRBs are required to only prepare a simple Annual Return unless they elect to prepare a full Statement of Accounts. SRBs fall within the Audit Commission's limited assurance regime (unless they have elected to prepare a statement of Accounts). This audit work is carried out by a special unit established by the audit commission and not by local auditors.
- 2 The draft accounts presented to us on 30 June showed expenditure that was above the limit for the joint committee to be considered as a smaller relevant body. After amendments, the revised accounts reported income and expenditure below the limit. However, at that stage by changing the audit and accounts regime a completed audit could not be guaranteed by the statutory deadline of 30 September. The Executive Director (Finance and Resources) of Bromsgrove District Council authorised the continuation of the normal audit arrangements.
- 3 The 2011/12 budget shows that the Joint Committee is expected to operate at a level where it will be considered to be a smaller relevant body and as such will be subject to a limited assurance audit. I expect this to result in a lower audit fee.

### **Quality of your financial statements**

- 4 This was the first year that accounts have had to be prepared for the Joint Committee.
- 5 There is no separate specific guidance as to the required format of joint committee accounts. However, there is a general requirement to comply with the code of Practice on Local Government Accounting and to include information appropriate to the organisation.

6 The draft accounts presented for audit on 30 June 2011 did not contain all the statements and notes that in my opinion were appropriate for WSS JC. There were also a number of significant errors in these accounts. I received revised accounts on 15 August 2011 which were used as the basis for my audit.

7 My main findings on the quality of the accounts process are as follows.

- The preparation of the accounts was allocated to one officer.
- We did not see a formal close down and accounts preparation plan.
- The reporting of assets/liabilities and refunds to partner bodies was fragmented. I would expect to see formal reporting and agreement of debtors and creditors balances.
- There were insufficient working papers supporting the financial statements.

#### **Errors in the financial statements**

21 A number of errors affecting the treatment of employee benefits and amounts refundable to participating bodies were identified during the audit that. The net impact of these was to understate total expenditure by £48k, overstate total income by £300k and net assets by £348k. I have reported separately on these to the Executive Director (Finance and Resources)

Page 5

#### **Significant weaknesses in internal control**

22 I did not identify any significant weaknesses in your internal control arrangements.

# Value for money

---

**I considered whether the Council is managing and using its money, time and people to deliver value for money. I assessed your performance against the criteria specified by the Audit Commission and have reported the outcome as the value for money (VFM) conclusion.**

**8** I assess your arrangements to secure economy, efficiency and effectiveness in your use of resources against two criteria specified by the Audit Commission.

**9** My overall conclusion is that the Council has adequate arrangements to secure, economy, efficiency and effectiveness in its use of resources.

**10** The Joint Committee is financially resilient because its costs are reimbursed by the partners. The Joint Committee was set up to secure greater economy, efficiency and effectiveness in the delivery of regulatory services in Worcestershire. There is evidence that progress has been made towards this objective, the organisation has reduced staff numbers and costs since it came into being.

# Closing remarks

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I have discussed and agreed this letter with the Chief Executive and the Executive Director (Finance and Resources) of Bromsgrove District Council. The letter will be presented to the Committee and will I provide copies to all committee members.

Further detailed findings, conclusions and recommendations in the areas covered by our audit are included in the reports issued to the Committee during the year.

Report	Date issued
Audit Plan	May 2011
Audit opinion	September 2011
VFM Conclusion	September 2011
Annual Audit Letter	November 2011

The Council has taken a positive and constructive approach to our audit. I wish to thank the Council staff for their support and co-operation during the audit.

Elizabeth Cave

District Auditor

November 2011

# Appendix 1 - Fees

---

	Actual	Proposed	Variance
Scale fee	19,000	19,000	0
Non-audit work	0	0	0
<b>Total</b>	<b>19,000</b>	<b>19,000</b>	<b>0</b>

# Appendix 2 - Glossary

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## **Annual governance statement**

Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and where appropriate, lead their communities.

The annual governance statement is a public report by the Council on the extent to which it complies with its own local governance code, including how it has monitored the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.

## **Audit opinion**

On completion of the audit of the financial statements, I must give my opinion on the financial statements, including:

- whether they give a true and fair view of the financial position of the audited body and its spending and income for the year in question; and
- whether they have been prepared properly, following the relevant accounting rules.

## **Opinion**

If I agree that the financial statements give a true and fair view, I issue an unqualified opinion. I issue a qualified opinion if:

- I find the statements do not give a true and fair view; or
- I cannot confirm that the statements give a true and fair view.

## **Value for money conclusion**

The auditor's conclusion on whether the audited body has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources based on criteria specified by the Audit Commission.

If I find that the audited body had adequate arrangements, I issue an unqualified conclusion. If I find that it did not, I issue a qualified conclusion.

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- any director/member or officer in their individual capacity; or
- any third party.





**Joint Committee**  
**23rd February 2012**

**JOINT COMMITTEE – HUMAN RESOURCES & FINANCIAL POLICIES AND PROCEDURES**

**Recommendation**

That the Committee

- Approve the adoption of the personnel (Human Resources) policies and procedures of Bromsgrove District Council subject to revisions that are required to reflect the partnership arrangements
- Approve the delegation to the Worcestershire Regulatory Services (WRS) Management Board to agree the wording revisions to individual HR policies
- Approve the adoption of the Contract Procedure Rules and Financial Regulations of Bromsgrove District Council subject to revisions in relation to the references to the shared service management hierarchy and committee approval arrangements.

**Contribution to Priorities**

The adoption of clear and consistent Human Resources and financial policies will ensure that the services are delivered in a transparent and compliant way whilst meeting priorities.

**Introduction/Summary**

The purpose of the report is to present to the Joint Committee the arrangements for managing Human Resources (HR) and financial issues in line with robust policies and procedures.

**Background**

Human Resources

Following the establishment of the Worcestershire Shared Service Partnership for Regulatory Services in June 2010, arrangements were put in place for Bromsgrove District Council to act as the Host Authority for employment matters. Below is the relevant wording taken from the Shared Service Partnership Legal Agreement :

*“The Host Authority acts as the Employing Authority in relation to all staff employed in connection with the provision of the Shared Service.*

*The Host Authority delegates all functions concerning the management and the terms of employment of those*

*staff, including all matters relating to remuneration, conditions of service, recruitment and selection , discipline and grievance procedures, termination of employment, management and supervision)to the Joint Committee ..... provided that such terms and conditions of employment remain consistent with those of the Host Authority.”*

In practical terms this means that staff working in the Shared Service partnership are governed by a number of Human Resource Policies which have been developed and are owned by Bromsgrove District Council, relating to the legal, ethical, organisational and functional management of staff.

Within certain policies however problems of implementation arise from the practical applications of policy frameworks across the organisational structure of the Shared Service which is different in hierarchy, terminology and purpose from the District Council. These particularly relate to functions discharged by Bromsgrove District Council Councillors and senior managers which must be dealt with by the Joint committee or a sub-committee appointed by it. An example was the constitution of a sub –committee to appoint the Head of WRS.

It is essential that the wording of adopted policies correctly reflects the relationship between the Joint Committee and Bromsgrove District Council so that no opportunity for legal challenge is created in the event that WRS has to defend an Employment Tribunal, etc.

#### Finance

All financial transactions for Worcestershire Regulatory services are accounted within a separate entity of Bromsgrove District Council. It is proposed that to ensure a consistent and compliant approach to financial arrangements the Contract and Procedure Rules and Financial Regulations of Bromsgrove District Council are adopted by the Joint Committee.

These documents will be amended to reflect that in the context of the shared service the reference to Cabinet shall be changed to the Joint Committee, the references to Corporate Management Team to be the WRS Management Board and the references to Portfolio Holder to be the Chairman of the Joint Committee.

The documents can be made available to members on request or via the Bromsgrove District Council website.

In order to obtain clarity and consistency across the policies the requirements of the Shared Service are being written in to HR Policies to reflect the different

structures and terminology, and levels of delegated responsibility within the Joint Committee. These policies will then become jointly applicable to BDC and the Joint Committee.

A number of business critical policies have been amended to reflect the requirements of the partnership arrangements in agreement with the Management Board. These are:

- *Disciplinary Policy*
- *Grievance Policy*
- *Recruitment, Selection and Employment Policy*
- *Sickness Policy*

The wording of the remaining policies will be revised in due course and be subject to delegated approval by the Management Board.

The adjustments to reflect the partnership arrangements include:

- 1) To insert a form of wording at the start of each policy as the stated principle that both parties will adhere to the central tenant of the Hosting agreement of consistency for employees, and
- 2) To amend HR policies as they come up for review following changes to legislation, national conditions or other initiatives, and
- 3) Where reviews take place and the only resultant amendment to policy is terminology around the operation of the Shared Service Partnership with regard to the management of employees, that such changes will be approved by the WRS Management Board under the delegation arrangements described above, and
- 4) For the Joint Committee and Host Authority to agree an understanding of equivalence of terminology so that those operating the policies (i.e. Managers within the Shared Service and Human Resources for the Host Authority) will have a clear understanding of how such policies will operate, so that staff will be treated consistently, equally and fairly regardless of the Service, hierarchy or job they work in. This will be delivered through the host HR officer in consultation with the Head of WRS.

The adoption Contract Standing Orders and Financial Regulations will ensure a consistent and compliant approach together with supporting the compilation of the final accounts by the host finance team and subsequent External Audit.

**Financial Implications**

None

**Sustainability**

None as a direct result of this report

**Contact Points**

Jayne Pickering – 01527-881400

**Background Papers**

Detailed financial business case  
Bromsgrove District Council HR Policies  
Bromsgrove District Council Contract Procedure Rules &  
Financial Regulations



## JOINT COMMITTEE

23rd February 2012

### Worcestershire Regulatory Services ICT Project Update

#### Introduction/Summary

This report provides the Joint Committee with a copy of the ICT Project Plan and a summary of progress against that Plan for the period 1 January 2012 to 31 January 2012.

#### Key Achievements

2.1 After a robust procurement process in late December 2011, Martin Thomas from ICE Creates was appointed as the ICT Project Manager for Worcestershire Regulatory Services.

2.2 Martin's first task was to develop a detailed Project Plan which is attached as Appendix 1.

This was quickly followed by commencement of the procurement process in line with EU Procurement rules agreed by Management Board on 30 January 2012.

2.3 A Project Management Board comprising representatives from WRS, finance, legal and Management Board has been set up.

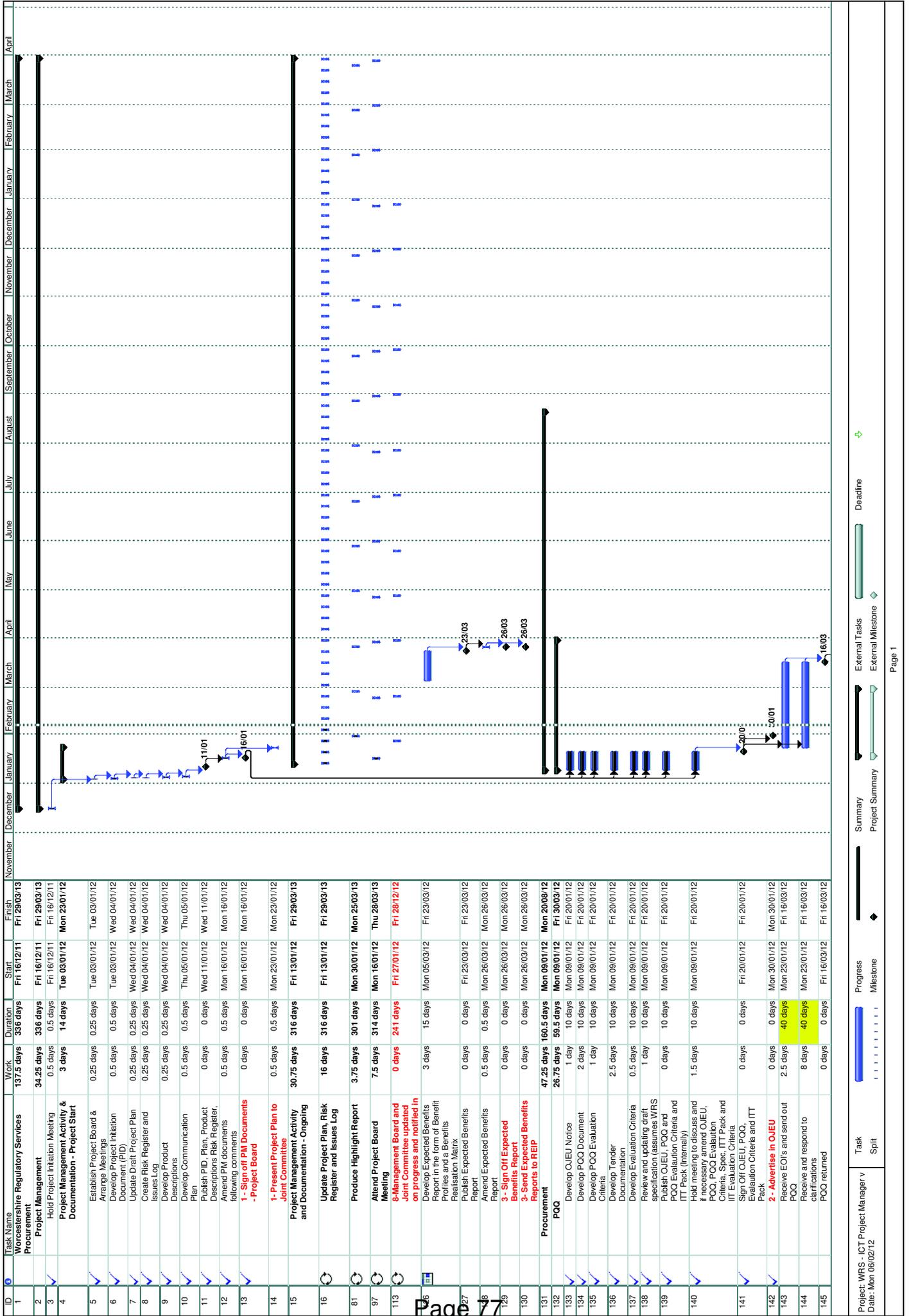
2.4 Notices advising potential suppliers of the proposal to procure a single platform IT system for WRS have now been posted on the relevant procurement sites.

2.5 A Highlight Report for the period of 1 January 2012 to 31 January 2012m, including risks identified appears as appendix 2.

#### Contact Points

Steve Jordan, Head of Worcestershire Regulatory Services  
Telephone: 01527-881466  
Email: [s.jorden@worcsregservices.gov.uk](mailto:s.jorden@worcsregservices.gov.uk)

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Project: WRS - ICT Project Manager v  
Date: Mon 06/02/12

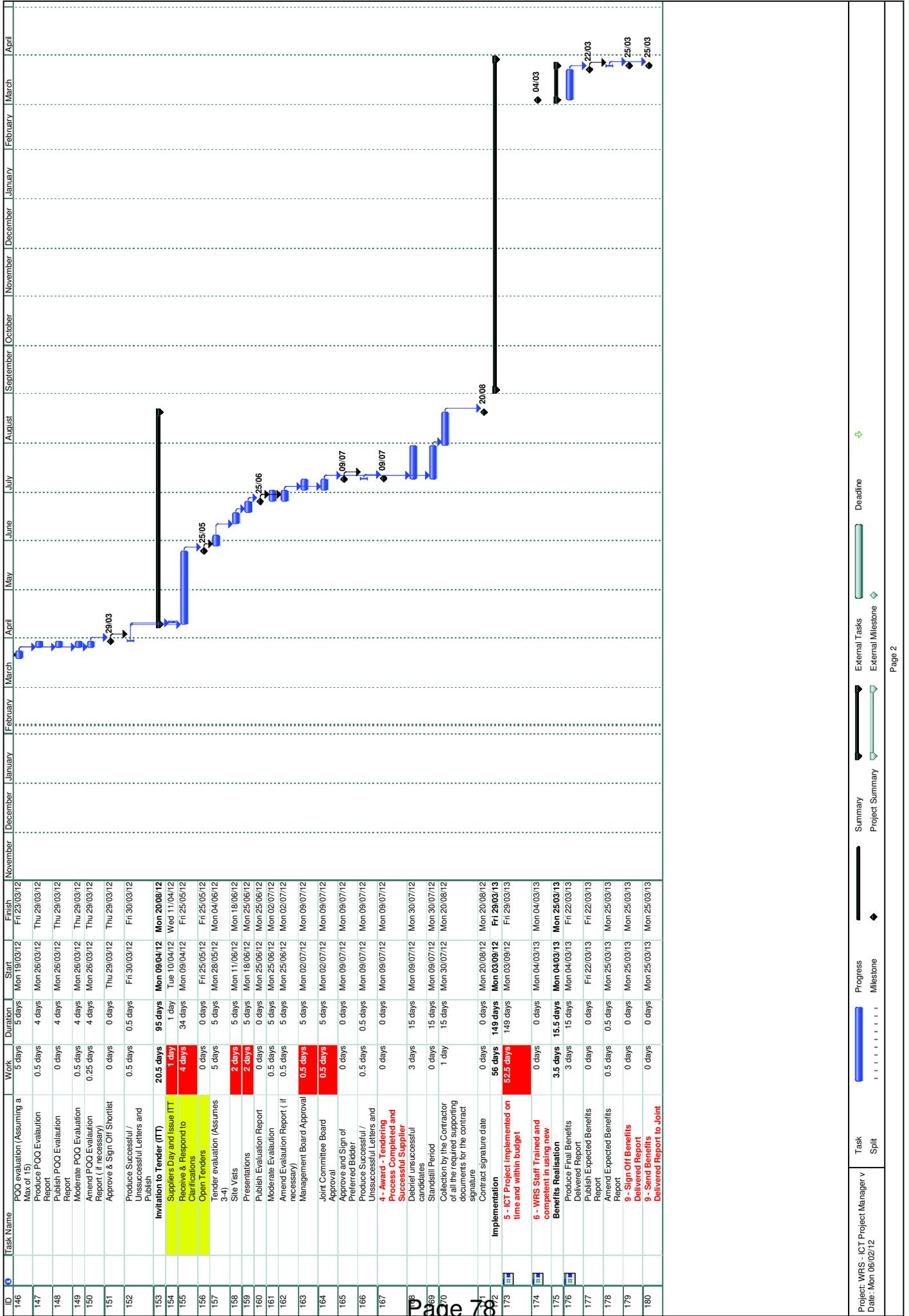
Task Split

Progress Milestone

Summary Project Summary

External Tasks External Milestone

Deadline



Project: WRS - ICT Project Manager v  
Date: Mon 06/02/12

Task Split

Progress Milestone

Summary Project Summary

External Tasks External Milestone

Deadline

ICT Project  
Stage 1 - Procurement  
**HIGHLIGHT REPORT**

<b>Project Title:</b> ICT Project	<b>Client Contact:</b> Worcestershire Regulatory Service	<b>PO Number</b> 5511136
<b>Project Manager:</b> Martin Thomas	<b>Date:</b> 12/02/2012	<b>Document No:</b> 001

<b>Distribution List:</b>		
Steve Jorden		

<b>Completed tasks for reporting period from 1<sup>st</sup> January 2012 to 31<sup>st</sup> January 2012</b>
<ol style="list-style-type: none"> <li>1. Established Project Board &amp; Arranged Meetings</li> <li>2. Developed Project Initiation Document (PID)</li> <li>3. Developed Project Plan</li> <li>4. Created and Updated Risk Register and Issues Log</li> <li>5. Developed Product Descriptions for Project Management and Procurement Documents</li> <li>6. Undertook Stakeholder Analysis and Developed Communication Plan</li> <li>7. Published PID, Plan, Product Descriptions Risk Register internally</li> <li>8. Attended meeting with A.Haslam to agree procurement process</li> <li>9. Developed an OJEU Notice</li> <li>10. Developed a PQQ Document</li> <li>11. Developed PQQ Evaluation Criteria</li> <li>12. Developed Tender Documentation – ITT Pack</li> <li>13. Developed ITT Evaluation Criteria</li> <li>14. Reviewed and updated draft specification</li> <li>15. Published OJEU, PQQ, PQQ Evaluation Criteria and ITT Pack (Internally)</li> <li>16. Attended meeting with S.Jorden and A.Haslam to review procurement documents</li> <li>17. Attended meeting with S.Jorden and S.Wilkes to agree discuss evaluation criteria</li> <li>18. Attended Management Board Meeting</li> <li>19. Produced Highlight Report</li> <li>20. Attended Project Board Meeting</li> <li>21. Amended Project Management documents following comments from Project Board and Management Board</li> <li>22. Attended a couple of Supplier meetings to review as potential solutions (Support Desk &amp; NDL)</li> </ol>

## HIGHLIGHT REPORT

<b>Non-completed tasks for reporting period from</b>	<b>1<sup>st</sup> January 2012</b>	<b>to</b>	<b>31<sup>st</sup> January 2012</b>
1. None			

<b>Tasks to be completed for reporting period from</b>	<b>1<sup>st</sup> February 2012</b>	<b>to</b>	<b>29<sup>th</sup> February 2012</b>
<ol style="list-style-type: none"> <li>1. Advertise OJEU Notice</li> <li>2. Receive EOI's</li> <li>3. Send out PQQs</li> <li>4. Receive and respond to clarifications</li> </ol>			

<b>Project Status:</b>	e.g. ongoing	<b>On time?</b>	yes	<b>On budget?</b>	yes
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Key Milestones	Forecasted Completion Date	Actual Completion Date	Status	Comments
Project Plan developed and approved by Management Board.	11 <sup>th</sup> January 2012		Complete	
Presented to Joint Committee	23 <sup>rd</sup> February 2012		On Time	
Competitive tender documents completed and advertised.	30 <sup>th</sup> January 2011		Complete	
PID and expected benefits report completed and sent to REIP.	31 March 2012		On Time	
Tendering process completed and successful supplier appointed.	July 2012		On Time	
ICT project implemented on time and within budget.	March 2013		On Time	
WRS staff trained and competent in using new system.	March 2013		On Time	

## HIGHLIGHT REPORT

Key Milestones	Forecasted Completion Date	Actual Completion Date	Status	Comments
Business benefits delivered: <ul style="list-style-type: none"> <li>• Current applications replaced</li> <li>• Relevant data successfully transferred and accessible</li> <li>• Robust and reliable inter-operability with partner systems working</li> <li>• Cost savings realised</li> </ul>	March 2013		On Time	
Management Board and Joint Committee regularly updated on progress and notified in advance of risks to project timescales.	Monthly		On Time	

Risks, Issues
<p><b>Risk</b></p> <ol style="list-style-type: none"> <li>1. Procurement timescale is too tight and the project is unable to meet deadlines</li> <li>2. Key resources are not available</li> <li>3. Suitable solution not found after procurement exercise</li> <li>4. Commission might challenge the reason for using ARP route - <b>CLOSED</b></li> <li>5. Suppliers challenging the use of ARP route- <b>CLOSED</b></li> <li>6. If ARP not deemed to be the advised route then the restricted procedure is likely to be used and the will involve a 37 day and 40 day time lapse on the project between PQQ and ITT instead of 15 and 15 and may put the RIEP funding at risk- <b>CLOSED</b></li> <li>7. Data cannot be converted from existing applications</li> <li>8. No person currently responsible for understanding data in existing systems</li> <li>9. Worcestershire Regulatory Service (WRS) funding may be pulled by Partners</li> <li>10. Regulatory changes may force changes to specification</li> </ol>
<p><b>Issues</b></p> <ol style="list-style-type: none"> <li>1. None</li> </ol>

Decisions required from Project Board this period:
<ol style="list-style-type: none"> <li>1. None – For Mgt Board</li> </ol>

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## JOINT COMMITTEE

23rd February 2012

### Nuffield Scholarship Award For Joanne Nash, Animal Health Officer

#### Recommendation

That members note the report

#### Contribution to Priorities/ Recommendations

The work of what was formerly the County's Animal Health team is a key element of preventing notifiable animal diseases like foot and mouth from having the devastating impact they can have on Worcestershire's rural economy. This award recognises the level of excellence achieved by this team and its individual staff members, particularly Joanne Nash.

#### Introduction/Summary Background

Joanne Nash an Animal Health Technical Officer and authorised Inspector with Worcestershire Regulatory Services who was awarded a Nuffield Farming Scholarship on 18<sup>th</sup> January 2012. This is one of only 20 awarded in the UK and will require Joanne to apply her skills and professional knowledge outside of the UK to a range of animal health issues. Jo's chosen topic links into the Better Regulation agenda that the service is seeking to work to going forward.

#### Report

The Nuffield Scholarship awards study bursaries to allow enthusiastic individuals to explore topics of their own choice in agriculture, horticulture, forestry, aquaculture and associated industries. Scholars are able to travel anywhere in the world, visiting one or a series of countries to further their knowledge and understanding. Having completed the Scholarship, a 10,000 word paper must be produced by the scholar which is then presented at the Annual Nuffield Conference. Scholars join a worldwide network and enjoy a programme of regular study meetings and visits held in the UK and abroad, in addition to one-off specialist industry conferences. The scholarship comes with a bursary of £6,500.

The study paper that Jo is required to submit as part of the scholarship will be titled; “Earned Recognition through On-Farm Compliance. Is This the Way Forward? Are the Welfare Codes Integral to This?” Jo will address the level of intervention inspections that farmers currently receive asking if all of these visits completely necessary and looking at whether they could they be combined. Through her work she will seek to question what real benefits farmers get from such interventions, how much they protect the consumer and whether they are little more than tick box exercises.

Earned recognition is seen by Government as a key part of the Better Regulation agenda for reducing the overall burdens on business. Currently, there is little evidence to suggest that inspections carried out under certain farm assurance schemes are substantial enough to satisfy not only consumer requirements but also statutory rules and regulations for disease control and welfare needs. Their main selling point from a farmers perspective seems to be a slight improvement in the price that can be obtained from the product. If earned recognition is to play a part in reducing the inspection burden on farm businesses it is important that assurance schemes can come up to standard in terms of the protections they will offer to farmers and the public as, without this, it will not be possible to reduce the level of local authority and other official interventions in line with Government requirements.

Jo will initially embark on a trip to Amsterdam with the other selected scholars leaving on 22 February 2012. This is to be followed with a visit to Eastern Europe to look at general farming standards, custom, and practice and in particular compliance with European legislation. In addition, as many of the farm workers currently in the UK are from Poland, Romania and Lithuania, Jo will gain an understanding of the background of standards and practice they arrive with.

Jo has also met and discussed her scholarship application with Mr David Bayel QSO (Director of MAF New Zealand) who is very interested in her proposed paper and has invited Jo to work with his inspectors there.

**Financial Implications**

None

**Sustainability**

Knowledge gained from the study could contribute to the sustainability of farming, locally.

**Contact Points**

Andy Ferguson  
Joanne Nash

**Background Papers**



## JOINT COMMITTEE

23rd February 2012

### Department for Business, Innovation & Skills on Transforming Regulatory Outcomes

#### Recommendation

That members note the report and recognise the changing agenda around Better Regulation

#### Contribution to Priorities/ Recommendations

This report highlights the Government's views on the "Better Regulation" agenda and has potential for direct impact particularly on the operation of some of the Trading Standards elements of service delivery. However, the general principles apply across all aspects of local authority regulation.

#### Introduction/Summary Background

The Government has published its response to the Transforming Regulatory Outcomes consultation that took place earlier in the year. This emanated from the Government's focus on promoting economic growth. The consultation comprised both general "better regulation" issues and proposals to extend the primary authority scheme.

Summarised below are the key issues in the Government's response and some of the actions that the service is already taking to address them.

#### Report

The consultation was initiated by the Department for Business, Innovation and Skills, which is one of the Departments that leads on regulation enforced by the service, particularly the fair trading and product safety elements of Trading Standards. The Government's response states that there is evidence of good practice of regulators and business working together on compliance but there are too many areas where the enforcement of regulation is heavy-handed, inefficient, overly prescriptive and culturally risk-averse. On a positive note, they do say that none of this should be taken as overlooking the important role regulation plays, safeguarding public health, for example, or protecting consumers and the environment.

So whilst it recognises there are positive activities, Government regards the approach being taken by regulatory services as burdensome on businesses and the economy, and much of the report is taken up with this latter theme. There is very little focus on the positive contribution that regulatory services make to supporting businesses.

The Primary Authority principle, (a statutory system developed by the Local Better Regulation Office where a local authority acts with a business and provides support for its development, some of which can be charged for,) is quoted throughout the report as being a positive measure and the way to address many of the perceived issues of businesses and government. It is proposed that the scheme be widened to encompass a number of other regulatory areas beyond its current remit.

## **KEY ELEMENTS OF THE GOVERNMENT RESPONSE**

### **1.Principles**

93% of respondents to the consultation agreed that greater accountability; recognising and promoting good practice and greater transparency should form the basis of a Government enforcement strategy. The Government has accepted this and will look to build this into its review process. It has committed to a review of all regulators (albeit recognising that some, especially consumer regulators, are already being reviewed as part of the Consumer Landscape Review process).

The report did seem to recognise the point that poor and confusing legislation caused as many problems to enforcers as it does to businesses, accepting that better drafting is required. To support this process WRS will continue to comment through consultation on new legislation.

### **2.Co-regulation & Earned Recognition**

Earned recognition for consistently good performance is a cornerstone of how Government sees developments. The report states that businesses should be rewarded for consistently good behaviour for example by reducing the burden of inspections and Government wants to see a sharp reduction in overall unnecessary inspections. They also want regulators to operate on the presumption that their primary role is to help businesses comply rather than to penalise them for not doing so. Government intend to look at this as part of its review of regulators to identify where enforcement is not working efficiently and where there is need for fundamental reform.

The Government also wants to promote the role of co-regulation (i.e. the formal sharing of responsibility for compliance between the state and third parties). This was

supported by many professional bodies for those areas where it was felt possible to make it work but it was also recognised that co-regulation is a misnomer in some areas such as rogue trading. The Primary Authority principle again is quoted as a key tool in delivering this vision of co-regulation.

With this in mind, following our Systems Thinking pilot work we have taken our own decision to prioritise those businesses not meeting purpose, and leave better businesses alone or limit our interventions with them, so we have adopted the earned recognition approach. This approach is also reflected in new national guidance and should therefore become the norm nationally. Following this a business should only have a one visit from WRS each time they become due for an intervention, reducing the overall inspection burden.

Hopefully this will also reduce the risk-averse approach commented on in the report as this is driven by the national regulators, their Codes of Practice and their audit processes. It is also linked to the reviews that have followed incidents like the Bridgend food poisoning outbreak where officers were blamed for a number of the issues involved rather than the full focus falling on the business that created the problem.

With this in mind we have training sessions planned for all WRS officers involved in this area of work to give officers the confidence and understanding around when a lighter touch is both applicable and acceptable. What we need to do is provide staff with the confidence that the organisation will protect them if something goes wrong where they have used their professional judgment in an appropriate manner.

### **3. Self improvement for business**

The report suggests that better professional standards in businesses can provide mechanisms for securing regulatory compliance. In particular they can help build the capacity of businesses to self-comply. The Government expects businesses to make explicit how their systems or industry assurance schemes would affect the public regulator's risk assessment and that, once local authorities can incorporate these into their calculations, this should lead to a reduction in planned inspections. Local authorities would need simple guidance to ensure this process was workable.

Following these principles, guidance has been issued around the scoring of premises for the Food Hygiene Rating System to ensure that 'gold plating' does not occur. This means that there is no reason why the majority of premises cannot achieve 4 or 5 star rating. The potential effect will be a further reduction in the number of premises

not meeting purpose and greater potential for us to use earned recognition.

The approach during inspection or intervention is also to focus on helping businesses to meet purpose, not to 'nit pick', so it is possible that some areas will not receive as much attention as before. Since we are focusing on meeting purpose we will not be compromising public safety or putting the public at risk of economic loss, so public protection is maintained even where the burden is reduced. This should also help mitigate against accusations of heavy handedness.

We will, however, still prosecute/take other enforcement action where the circumstances are appropriate and in line with the WRS Enforcement Policy, which mirrors the Regulators Compliance Code.

#### **4. Data gathering**

Government intends to gather and publish data listing all regulators, size, budget, level of activity including numbers of inspections and prosecutions and business views on their behaviour and performance. There is no clarity as to how this will apply to local authorities nor the rules applied by Dept for Communities and Local Govt to reduce data returns. Government have also said they will introduce a web based tool to collect information and views on regulators and enforcement (including local authorities) on an ongoing basis.

#### **5. Support for small businesses and the Regulators Compliance Code**

The report does recognise the key role of local authorities in being responsible for securing compliance with a large and diverse range of regulations and for providing support and high quality tailored advice of the kind which is particularly important to smaller businesses. The report states that local regulatory professionals can provide low cost authoritative advice that can make a real difference to the way that local businesses operate.

The Government want to reinforce the use of the Regulators Compliance Code and in their review of regulators they intend to check on how far they have applied the Code. Regulators will be asked to give more prominence to the Code in publications and websites. The Government will also carry out a review of the code as it is now 3 years old.

Within WRS the examples of good practice in this area are:

- coaching sessions (free of charge) offered to new food businesses on their SFBB responsibilities, including being able to offer this in Bengali, Sylheti

and Punjabi/Urdu.

- We have just published a new guidance / reference book introducing health and safety for business that is clear and simple.
- Our website will provide self-service information and link to the "ERWIN (Everything Regulatory in One Place)" business advice site.
- When giving advice to business, staff will not merely tell the business where they have gone wrong but provide them with tailored guidance on what they need to do to meet a higher standard, should that be their aspiration.
- WRS offers paid for training in food hygiene but is considering expanding this to include recognised H&S and other courses.

### **6. Primary Authority and Local Enterprise Partnerships**

The Government clearly sees the role of primary authority and Local Enterprise Partnerships as being critical going forward. In particular they quote LEPS as having a lead role in transforming the way that regulation works at a local level.

In consulting on the possible extension of Primary Authority (PA,) the report noted the concerns about the effect on local discretion, especially in regards to licensing and gambling functions. It also noted the broad objection by the Police to any extension to include the Licensing Act.

The Government plans to extend PA to age-related sales of gambling and knives. In the case of fire safety they intend to introduce pilots to see how PA would work alongside existing enforcement. Due to the concerns raised about extension to the Licensing Act there is no commitment to change this but the report states *"we will continue to consider this issue carefully in consultation with local authorities and the police, including the consideration of a pilot within existing legislation"*.

The report noted the concerns raised by some about the appropriateness of extending the scheme to trade associations and franchises. However the Government has signalled its intent to *"extend the scheme to allow businesses - including Small/Medium Enterprises - operating within the framework of company groups, franchises and trade associations to access assured advice"*.

However it does also recognise some concerns raised by stating

*"we need to be sure these extensions can be properly put*

*into effect without any unintended consequences."*

For the Health and Safety function, the Government states that it intends to *"legislate to extend the (Primary Authority) scheme to address Lord Young's recommendation and to ensure the inspection plan elements deliver for all parties"*.

The public health work WRS are doing with partners on devising and rolling out the Worcester Works Well (WWW) initiative supports our forward looking approach. The WWW board reports directly in to the Worcestershire LEP. The initiative is to support better performing companies in providing the right environment to support the health and welfare of their staff and thus reduce sickness absence, improve reputation, improve motivation and thus improve productivity. Achievement is recognised by accreditation and use of a WWW logo of their marketing documentation.

This, as with all our public health projects, is aimed at those businesses that have already got a good grasp of their fundamental legal responsibilities. We can then support business growth by building on the good relationship we already have with them to experiment in a low risk environment towards meeting unmet demand in providing healthy choices for their staff or customers - whether this be life style or specifically healthy eating.

The learning from both the WWW project and the Truckers Tucker project will be rolled out further within our Worcestershire businesses and it is our intention to introduce the public health concepts / skills to become more mainstream within the within the WRS workforce to ensure delivery is maximised. This will have to be phased in however due to the current volume of 'interventions' required with businesses not meeting purpose.

**Financial Implications**

None

**Sustainability**

NA

**Contact Points**

Simon Wilkes  
Chris Phillips  
Anita Fletcher

**Background Papers**

1. The full report can be found at <http://www.bis.gov.uk/assets/biscore/better-regulation/docs/t/11-1408-transforming-regulatory-enforcement-government-response.pdf>.



## JOINT COMMITTEE

23rd February 2012

### Inspection by the Interception of Communications Commissioners Office (IOCCO)

#### Recommendation

That members note the report

#### Contribution to Priorities/ Recommendations

Members are required to maintain an oversight of the service's activities that fall under the Regulation of Investigatory Powers Act and this report contributes to this.

#### Introduction/Summary Background

Where a local authority uses surveillance or obtains what is referred to as communications data, processes under the Regulation of Investigatory Powers Act 2000 and its associated Regulation must be observed. Authorities are audited by two bodies, the Office of the Surveillance Commissioner for directed surveillance, and the Interception of Communications Commissioners Office (IOCCO) for communications data.

This report details the positive outcome of our most recent inspection by IOCCO.

#### Report

The Regulation of Investigatory Powers Act 2000 was introduced as part of the process of formalising the inclusion of human rights provisions in UK law. The Act introduced a process and protocol for the control of a number of investigative processes that local authorities had been using for many years. Unfortunately, the popular press has interpreted RIPA as being provisions to control terrorism, hence, the level of negative publicity surrounding the use of its provisions by local authorities.

IOCCO inspect local authorities in relation to their obtaining of communications data. This relates mainly to obtaining the names and addresses of subscribers to particular telephone numbers e-mail accounts or internet domains, but it can also include billing information and similar i.e. what numbers a subscriber has called, and a range of other data. It does not include the actual content of telephone or e-mail

communications. This is known as “traffic data” and local authority officers are not entitled to view this through this means.

IOCCO’s inspection, which took place just before Christmas, was effectively an inspection of the host authority, Bromsgrove District Council however, no other service within the host authority had obtained any communications data during the period relevant to the visit.

All seven applications and the nine notices (papers served on internet or telephone service providers,) were reviewed by the inspector. He was very impressed with the process that WRS had adopted albeit that there were a number of areas for officers to improve their practice.

Officers needed to include more detail to justify the necessity for obtaining the data, particularly in relation to actually specifying offences. Whilst it was clear that officers and the Designated Person (the Senior Officer who authorises the obtaining of the information,) understood their roles, it was important that an Inspector could clearly see the nature of what was being investigated. Also, he indicated that whilst he was pleased to see that officers were specifying time periods to limit the amount of data that they would obtain, officers needed to be clearer in their applications as to the justification for these time periods.

In light of the good standard of compliance that he observed, the inspector will not be returning for his next review for about 18 months.

**Financial Implications**

None

**Sustainability**

Not Applicable

**Contact Points**

Simon Wilkes

**Background Papers**

The inspectors report can be reviewed at Wyatt House but they are treated as restricted for government protective marking scheme purposes so will not be published.