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WORCESTERSHIRE DISTRICT C O U N C I L S AND COUNTY COUNCIL**WORCESTERSHIRE REGULATORY SERVICES****MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE****THURSDAY, 20TH FEBRUARY 2014 AT 4.35 P.M.**

PRESENT: Councillors Mrs. B. Behan, R. Berry, M. A. Bullivant (Vice-Chairman), R. Davis, Mrs. L. Denham, P. Harrison (during Minute No's 37/13 to 41/13), M. Hart, Mrs. L. Hodgson (Chairman), D. Hughes and Mrs. Y. Smith (substituting for J. Fisher)

Observers: Mr. V. Allison, Deputy Managing Director, Wychavon District Council

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

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

33/13 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

Apologies for absence were received from Councillors C. B. Taylor, Bromsgrove District Council, J. Fisher, Redditch Borough Council, B. Clayton, Redditch Borough Council, A. N. Blagg, Worcestershire County Council and K. Jennings, Wychavon District Council.

34/13 DECLARATIONS OF INTEREST

No declarations of interest were received.

35/13 MINUTES

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 21st November 2013 were submitted.

RESOLVED that the minutes of the Worcestershire Shared Services Joint Committee be approved as a correct record, subject to the following:

That it be noted in respect of Minute No. 23/13 that Councillor Mrs. L. Denham, Worcester City Council had informed Members that she was a Member of the Worcestershire Hub Shared Service on the advice of the Host Authority's Principal Solicitor that she should do so.

After the meeting Councillor Mrs. L. Denham had sought advice from Julie Slater, Monitoring Officer, Worcester City Council. Councillor Mrs. L. Denham informed Members that she had received written confirmation from the Monitoring Officer, Worcester City Council that the item under discussion, and from which she was excluded, related to the provision and funding of the telephone answering service provided to Worcestershire Regulatory Services by the Worcestershire Hub. The Worcester City Council Monitoring Officer stated that after reviewing the Council's constitution she advised that in her view there was no conflict of interest. A copy of the letter received by Councillor Mrs. L. Denham was provided to the Democratic Services Officer for noting.

At the request of the Chairman, the Host Authority's Principal Solicitor Ms. C. Flanagan responded to Councillor Mrs. L. Denham and in doing so informed Members that she had been in contact with the Monitoring Officer, Worcester City Council with regard to the concerns raised by Councillor Mrs. L. Denham. The Principal Solicitor further informed Members that the role of a Councillor was to be open and transparent about personal interests. The letter received from the Worcestershire Hub Shared Service (WHSS) Management Board was, at the agreement of the Chairman, received as an urgent item at the Worcestershire Shared Services Joint Committee meeting on 26th September 2013. Minute Number 21/13 of that meeting details that Councillor Mrs. L. Denham informed Members that she was a Member of the Worcestershire Hub Shared Service Board and had been present at a meeting of the WHSS where the letter had been discussed. On that basis there may have been a conflict of interest which would need to be identified.

Ms. C. Flanagan explained to Councillor Mrs. L. Denham that it was relevant to minute that she was a Member of the WHSS in the interests of openness and transparency during a public meeting, to avoid any conflict of interest or pre-determination being perceived and that she supported the view that any such interest should be declared and noted. Following any legal advice given it did not exclude her from participating in the agenda item under discussion should she chose to participate.

Councillor Mrs. L. Denham stated she felt she had been given conflicting legal advice. She was here to represent the citizens of Worcester City and had wanted to seek clarification that she was able to speak and participate on the agenda item in question.

36/13 **WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING
REPORT APRIL - DECEMBER 2013**

Members considered the Worcestershire Regulatory Services (WRS) Budget Monitoring Report for the period April to December 2013.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so drew Members' attention to the projected underspend for the year of £87,000, which was due to a significant number of staff vacancies, long term sick (LTS) and maternity leave. There was a projected underspend within salaries of £521,000. This

would be offset by the anticipated overspend on the Agency Staffing Budget of £479,000 to cover employees who had been seconded to the ICT project and staff required in order to meet the demands of the service to ensure the efficiencies could be delivered in future years. There had been difficulty in recruiting to the level required. The projected underspend for 2013/2014 was higher than originally anticipated due to additional vacancies, the impact of approved voluntary redundancies and grant funding secured.

Appendix 3 to the report detailed the redundancy/pension strain for each partner authority. The redundancies which were all voluntary redundancies, had been accepted by the Worcestershire Regulatory Services Management Board and all participating partner authorities.

The Head of Worcestershire Regulatory Services (WRS) responded to Councillor Mrs. L. Denham with regard to the ICT projected costs, as detailed on page 12 of the report. The Head of WRS informed Members that there was a saving from the costs included in the original business case as a cheaper ICT system had been agreed. Members were further informed that WRS were still in negotiation with regard to compensation for the delays experienced. The next stage of the project would be the channel shift.

The Head of WRS highlighted that senior officers were working to reduce long term sick and helping staff to return to work after a period of long term sick. This would help reduce the number of agency staff required. There would be an end to the use of agency staff as from 1st April 2014 as WRS was aware of further future funding restrictions.

RESOLVED that the financial position for the period April to December 2013 as detailed in the Worcestershire Regulatory Services Budget Monitoring Report be noted.

37/13 **WORCESTERSHIRE REGULATORY SERVICES BUDGET 2014/2015 – 2016/2017**

The Committee considered a report which detailed the proposed revenue budget for Worcestershire Regulatory Services for 2014/2015 – 2016/2017.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so drew Members' attention to page 22 of the report which highlighted the agreed recommendations from the last meeting of the Joint Committee in November 2013. The report had been a complex piece of work with the savings requested from Worcestershire County Council (WCC), Wyre Forest District Council and Worcester City Council. An officer working group had been set up to look (collectively) at the constraints and savings of all partner authorities. Officers looked at fixed costs, hosting costs and the minimum level of service for WCC, more specifically around Trading Standards.

A review of the costs associated with the services delivered to WCC was undertaken with a restructure of staffing to realise the required savings. As a result of the review £405,000 per annum was identified in relation to WCC

services for 2014/2015, together with £8,000 from the reduction in hosting costs. In relation to the staff savings, due to the time required for consultation and staff termination periods, there was only a part year effect of these changes in 2016/2017. This has resulted in a shortfall of £222,000 in relation to the part year effect to meet the level of reduction required for 2014/2015 for WCC services, WCC had accepted this. However it was accepted that due to the timing of potential restructures that there would be this level of shortfall.

As part of the budget review for Wyre Forest District Council savings of £49,000 had been delivered in 2014/2015, with a further £37,000 being requested during this year. The £37,000 per annum had been identified but again only £28,000 could be realised in 2014/2015 due to staff restructures and the reduction in hosting costs. There was a remaining £9,000 to be delivered in 2014/2015 should the partner request be fully met.

As part of the budget review for Worcester City Council savings of £22,000 had been delivered with a further £34,000 requested for 2014/2015. The £34,000 per annum had been identified but again only £27,000 could be realised in 2014/2015 due to staff restructures and the reduction in the hosting costs. There was a remaining £7,000 to be delivered should the partner request be fully met.

The savings requested from Worcester City Council and Wyre Forest District Council had been realised within 2014/2015 by identifying specific areas of work that could be redesigned to deliver savings solely for these two partners. This pilot could be rolled out to other partner authorities should it prove to be successful in 2014/2015.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council highlighted that no further savings had been requested from the other partner authorities. Appendix 1 to the report detailed the financial framework for 2015/2016 and 2016/2017. This included the total reductions in budget requested by all partner authorities which were required. Officers were currently working through the levels of fixed costs and partner requirements with the aim to reduce costs to the level requested. Future year's budgets would continue to be reported to Joint Committee Members as more information became available.

The Head of Worcestershire Regulatory Services (WRS) responded to Councillor D. Hughes, Malvern Hills District Council, who asked if he was comfortable that the savings would not hinder his ability to provide the service? In his response he highlighted that during the next financial year there would be significant cuts which would affect the service. As a result of the level of savings identified, Worcestershire County Council, Wyre Forest District Council and Worcester City Council had all received a risk assessment.

Councillor M. Hart, Wyre Forest District Council was content as to where the savings were coming from for the second year and year on year, but not at the expense of WRS statutory duties and residents. He would carefully watch the Worcester City Pilot and wanted to congratulate the Head of WRS for the

savings achieved. The Head of WRS responded that it was a 3 year financial plan and future savings would have to be identified. He would ensure that the team remained extra committed and there was no effect on residents or the service.

RESOLVED:

- (a) that the revenue budget for 2014/2015 of £4.637 million to be allocated as follows, be approved;

	£'000
Bromsgrove	489
Malvern	413
Redditch	579
Worcester City	574
Wychavon	751
Wyre Forest	547
Worcestershire County	1,284
TOTAL	4,637

- (b) that the financial framework for 2015/2016 – 2016/2017 as detailed below be noted;
- 2015/16 £3.879m
 - 2016/17 £3.250m; and
- (c) that officers continue to review the fixed costs and all other charges to ensure the revenue savings currently required could be delivered over the 3 year period.

38/13 WORCESTERSHIRE REGULATORY SERVICES - STRATEGIC PARTNER PROCUREMENT

Following on from the meeting held on 21st November 2013, consideration was given to a report that provided Members with an updated position of the progress made on the Strategic Partner Procurement project and the Scope and Evaluation Criteria to be included within the procurement process. The report highlighted that Worcestershire Regulatory Services was faced with the prospect of managing a dwindling service over the next two to three years as a result of partners continued financial pressures.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so expressed his thanks to Members and officers who had attended the Joint Management Board and Joint Committee workshop on 20th January 2014. The thoughts and feedback from the workshop had been incorporated into the draft Evaluation Criteria, as detailed on Appendix 3 to the report. The common themes that came out of the workshop, as detailed on page 31 of the report, had also been incorporated into the Evaluation Criteria. Appendix 2 to the report detailed the scope of the Strategic Partnership procurement process, the Official Journal of the European Union (OJEU) would detail other functions that a private company may be able to deliver at a later stage.

The Head of WRS drew Members' attention to the resolved items, as detailed on pages 29 and 30 in the report agreed by the Committee at the meeting held on 21st November 2013. Agreement had been reached to include South Worcestershire Building Control within the scope, it was agreed that this would be built into the Evaluation Criteria.

Further discussion followed with regard to the inclusion of Customer Services within the scope. The Head of WRS informed Members that Customer Services had not been fully encapsulated, but agreed that it could be included within the scope and built into the Evaluation Criteria.

Since the Joint Committee meeting held in November 2013, soft market testing had been undertaken involving three commercial companies. Page 30 of the report detailed the key findings from the soft market testing.

During this part of the meeting, and at the request of the Chairman, the Committee considered whether or not to exclude the public from the meeting to enable the Head of WRS to provide brief information on Agenda Item 6.

RESOLVED that under Section 100 I of the Local Government Act 1972, as amended, the public be excluded from the meeting during the consideration of this part of the item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act, as amended, the relevant paragraph of that part being as set out below, and that it is in the public interest to do so:-

Paragraph

7

The Head of Worcestershire Regulatory Services provided the Committee with brief information of the three commercial companies involved in the soft market testing.

The Chairman announced at the conclusion of the above item, the exclusion of the public be lifted and the meeting continued in open session.

Governance was seen as a key issue that would need to be worked through as part of any on-going discussions, acknowledging that it was important to strike the right balance between a streamlined process that supported growth yet retained partner's ability to influence at a strategic level. Members agreed that the legal framework around statutory functions should be more explicit in the Evaluation Criteria, number 7, as detailed on page 37 of the report. The Head of WRS further informed Members that the competitive dialogue process would highlight the need to include the legal framework and statutory functions as part of the final solution.

Member engagement was seen as critical to ensure that all partner authorities remained on board. A range of activities would be undertaken to ensure that Members and staff remained fully informed and engaged. The Joint Committee and Management Board were seen as critical to the success of this, particularly when it came to decision making.

The next stage of the project was the Project Management role. The Head of WRS reminded Members that during the last meeting of the Joint Committee a proviso was agreed that should the costs of £20,000 be exceeded, Joint Committee Members would be informed. The Head of WRS informed the Committee that an additional £30,000 would be needed to fund the Project Management Costs.

Further discussion followed on the need for Members to be kept fully informed and provided with progress updates.

Councillor M. Hart suggested two further recommendations be added with regard to progress reports and additional funding for the Project Management Costs as detailed in the pre-amble above.

RESOLVED:

- (a) that the outcomes of the soft market testing, as detailed at Appendix 1 to the report, be noted;
- (b) that the scope of the Worcestershire Regulatory Services offer, as detailed at Appendix 2 to the report, be approved;
- (c) that the Evaluation Criteria to be used in the procurement process, as detailed at Appendix 3 to the report, be approved;
- (d) that progress updates be provided to all partner authorities before or at the next meeting of the Joint Committee; and
- (e) that an additional amount up to £50,000 be taken from the £87,000 underspend for the year, to fund the Project Management Costs, be approved.

39/13 **WORCESTERSHIRE REGULATORY SERVICES SERVICE PLAN 2014-2015**

The Committee was asked to consider a report detailing the Worcestershire Regulatory Services Service Plan 2014/2015.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so highlighted that the financial uncertainty faced by the service had made it difficult to create the WRS Service Plan. Members were informed that the WRS Service Plan followed the pattern of previous years and had an Executive Summary, as detailed on page 44 of the report. The Executive Summary outlined how the service would operate over the next twelve months to deliver on both national and local priorities and what activities the service would carry out to achieve or address those priorities and how success would be measured.

The service would continue to shape its work around the strategic priorities, as detailed on pages 47 and 48 of the report. The implementation of the new ICT system would enable the service to report more accurately on activities. The service had continued to work with Members to demonstrate the service's performance and current core performance indicators; which had been amended following the comments and feedback received from Joint Committee Members who had attended the Joint Management Board and

Joint Committee workshop on 20th January 2014 at Wychavon District Council.

The Head of WRS drew Members' attention to Appendix C to the report which detailed the new 'slimmed down' WRS Management Structure. The Head of WRS responded to Members' questions with regard to staff morale due to the restructuring and redundancies faced within the service. The Head of WRS highlighted that staff were fearful of potential redundancies. A series of workshops for staff and robust communication had been developed to ensure both staff and unions were kept informed.

Following further discussion on the WRS Service Plan, Members agreed that the Head of WRS incorporated the following amendments as suggested during the discussion:

- Page 47 of the report – the paragraph that refers to 'Local Elections in May 2014' be removed;
- Page 74 of the report, section 4.6, Legal Background to include the following statement, 'That Regulatory Services in Worcestershire would endeavour to engage with the elected Police & Crime Commissioner (PCC) in order to ensure there was a stronger link/profile for the service.'
- Include the recent 'Good News' stories in respect of Trading Standards, Illegal Money Lending Team.

RESOLVED that, subject to the amendments as referred to in the preamble above, the Worcestershire Regulatory Services Service Plan 2014/2015 be approved.

40/13 **WORCESTER CITY COUNCIL PILOT - UPDATE**

Following on from the meetings held on 22nd November 2012 and 27th June 2013, consideration was given to a report that provided Members with an update on the Worcester City Council Pilot.

As requested at the previous meetings of the Committee, Mr. M. Kay, Business Manager, Worcestershire Regulatory Services (WRS) provided Members with an update on the Worcester City Council pilot. Members were informed that the pilot exercise had arisen from a request by Worcester City Council to examine ways of delivering £40,000 additional in year savings during 2013/2014. The original intention was to agree service reductions/changes that had the potential to achieve the required level of savings and implement them as a pilot from 1st April 2013.

As detailed in the report a 'menu' of fully costed options was prepared and discussed with Worcester City Council for consideration. Following further discussion, it was jointly decided to proceed with a pilot that delivered with respect to planning consultations and some categories of nuisance complaints. After preparing the necessary processes and documentation, which required significant input and officer time from WRS and Worcester City Council, the pilot commenced on 10th June 2013.

The report provided detailed information on the two parts of the pilot, Planning Consultations and Nuisance Complaints. The report highlighted that the intention of the pilot for Planning Consultations was to reduce the number of consultations significantly in order to achieve potential savings of up to £20,000. Initially Worcester City Council submitted approximately 150 applications a year with an estimated cost to WRS of £30,000 to £40,000. The intention of the pilot for Nuisance Complaints was to encourage complainants to help themselves, by initially dealing with the problem and only refer back to WRS if unsuccessful. If the complaint was from multiple sources, and/or a statutory nuisance, or from someone classed as vulnerable, then WRS would deal with the complaint from the outset.

Planning Consultations – The pilot involved WRS producing detailed advice for planning officers and an algorithm that enabled planning officers to make decisions on applications without the need to refer to WRS officers. In addition internal management systems within Worcester City Council were altered so that managers had to approve any referrals to WRS. As a failsafe WRS officers also checked the weekly planning list. For the pilot period 10th June to 17th December 2013 the number of planning applications referred for consultation was compared with the number referred over the same time period during the previous year:

- Consultations in 2012 numbered **74**
- Consultations in 2013 numbered **67**

There was a very small reduction in referrals, but Worcester City Council Development Control department indicated that there had been a 17% increase in the total number of applications received by the planning department over the same period. So, the number of referrals to WRS had remained about the same, at a time when Worcester City Council had experienced a 17% increase in workload. It was accepted that the time period for the pilot had been limited, the longer the pilot continued then the outcome and indications of potential savings would be more accurate.

Nuisance Complaints - Having considered the statutory responsibilities and the professional advice of officers it was decided to include the following three areas of nuisance complaint within the scope of the pilot:

- Air pollution (mainly garden bonfires)
- Rubbish and miscellaneous complaints
- Drainage

To aid with self help, changes were made to the Worcester City Council website with advice and letter templates made available to download. Duty officers were given advice and training on how to deal with complaints at the first point of contact. It was accepted by all involved that effective communication was essential for the pilot to work and for members of the public to understand what the new process involved. Regular update meetings were held to gauge the number of complaints received and to review comments received from Members and the public. It was accepted that initially the messages provided were not as clear as they could have been and

more work was required to identify potentially vulnerable persons. This resulted in changes to the training of WRS Duty Officers to reinforce the correct message and information on the web site was amended as a result of the feedback received. These areas of work were estimated to cost WRS around £25,000 - £40,000 with approximately 150 to 200 complaints per year. The figures for the relevant categories were compared with the same time period for the previous year, 10th June to 30th November 2013:

- Complaints in 2012 numbered **59**
- Complaints in 2013 numbered **64**

Of those 64 complaints, 30 were referred for self help. Of that 30, 15 complainants returned to WRS to deal with their complaint. Of those 15 complainants referred to self help and who did not return to WRS, no feedback was received from local Members or staff to indicate that the complaints had not been satisfactorily resolved without involving WRS. Overall WRS dealt with 49 complaints compared with 59 the previous year, with 23% of this year's complaints successfully diverted to self help. The numbers coming in each year are roughly similar and so the self help route seems to be delivering real benefits. Both WRS and Worcester City Council have reported that, following initial concerns, both the public and Members appeared to be happy with this new approach.

RESOLVED:

- (a) that the Worcester City Pilot report be noted. Members agreed that the pilot had produced a model for real cashable savings in respect of the areas of nuisance covered during the pilot carried out by Worcester City Council and 17% efficiency savings for Worcester City Council in respect of planning application referrals;
- (b) that Worcester City Council be provided with in year 2013/2014, savings of £3,746 to be funded from a top-slice of the projected end of year underspend to reflect the changes in the service provided, and reflecting six months of savings during 2013/14; and
- (c) that preparatory work be undertaken by Worcestershire Regulatory Services in consultation with partners, to consider options for extending the concept of "self-help" into other areas of work.

RECOMMENDATION that all partner authorities consider introducing the Worcester City Council pilot methodology to their own organisations when dealing with planning consultations and introduce the self help element for certain classes of nuisance complaints.

41/13 **PERFORMANCE AND ACTIVITY DATA QUARTER 2 AND QUARTER 3, 2012/2014**

The Committee considered a report which detailed the Worcestershire Regulatory Services (WRS) Activity Data for Quarter 2 and 3, 2013/2014.

Mr. M. Kay, The Business Manager, Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that the report was presented in the new format, which was initially introduced to the

Joint Committee Members who had attended the Joint Management Board and Joint Committee workshop on 20th January 2014.

The report showed that Trading Standards complaints from the Citizens Advice Consumer Service (CACS) had remained down so far this year compared with the historical figures from Consumer Direct. WRS officers will raise this with colleagues within the region to see if this was a common trend, suggesting a failing in the promotion of the CACS number. The highest areas of demand remained as home improvements, second hand cars and furniture supply. The report highlighted that a significant proportion of complaints were not linked to a district within Worcestershire. This was partly a data issue, which WRS were looking into, but also a significant proportion of complaints had arisen from people not resident in Worcestershire or the complaints related to goods/services purchased out of the county by Worcestershire residents.

The nuisance data showed the summer spike in complaints quite clearly, with a total of 1475 complaints being recorded between July and September. Complaints peaked at 650 per month in July and August then fell over the autumn period to 208 in December. Previous reports had included maps showing the location of noise issues in each district. Following discussions at the Joint Management Board and Joint Committee workshop on 20th January 2014, the report now detailed a table of wards with the highest levels of complaint. Officers felt that this would enable Joint Committee Members to engage more with other members in their authorities on particular problems.

The report also provided detailed information on the food inspection programme.

The data continued to highlight the large volumes of demand coming into the service for Licensing. Officers had identified some issues with the data transfer, which would need to be rectified before the service could report more fully on licensing activity from the Uniform system. A full update on Licensing would be provided in future reports. The final data pages contained improved end to end time reporting, with a breakdown by various categories of complaint, as detailed on page 99 of the report.

It was noted at the end of the last report that a significant volume of casework had gone through legal process during Quarter 3. Officers had agreed to keep Members informed of these. The four cases were detailed on page 99 of the report.

Members agreed that the area codes used on the graph, as detailed on page 111 of the report, should be shown in full in future reports.

Councillor Mrs. L. Denham expressed her thanks to officers for taking into account the feedback from the Joint Committee Members who had attended the Joint Management Board and Joint Committee workshop on 20th January 2014.

RESOLVED that the Worcestershire Regulatory Services Activity Data Quarter 2 and 3 report be noted.

The meeting closed at 6.01 p.m.

Chairman