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**WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL****WORCESTERSHIRE REGULATORY SERVICES****MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE****THURSDAY, 2ND OCTOBER 2014 AT 4.30 P.M.**

PRESENT: Councillors M. A. Bullivant (Chairman), Mrs. B. Behan (Vice-Chairman), J. Fisher, B. Clayton (during Minute No's 13/14 to 18/14), D. Wilkinson, A. Roberts, Mrs. L. Hodgson, Mrs. E. Stokes (substituting for Councillor R. Davis), K. Jennings, M. Hart and P. Harrison

Invitees: Councillor R. Laight, Bromsgrove District Council, Councillor P. Tomlinson, Wychavon District Council and Mr. I. Pumfrey, Chairman, Worcestershire Regulatory Services Management Board

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

13/14 **APOLOGIES**

Apologies for absence were received from Councillors R.L. Dent, Bromsgrove District Council, D. Hughes, Malvern Hills District Council, A. N. Blagg, Worcestershire County Council and R. Davis, Wychavon District Council.

14/14 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

15/14 **MINUTES**

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 26th June 2014 were submitted.

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

16/14 **JOINT WORCESTERSHIRE REGULATORY SERVICES SCRUTINY TASK GROUP - FINAL REPORT**

The Chairman welcomed Councillors R. J. Laight, Bromsgrove District Council, Chairman and P. Tomlinson, Wychavon District Council, Vice-Chairman of the Joint Worcestershire Regulatory Services Scrutiny Task Group who would present the Committee with the task group's final report and recommendations.

Councillor Laight gave his thanks to all Members of the Task Group and was of the opinion that the work of the Task Group although hard, had been conducted without any political influence in the Task Group discussions, deliberations or conclusions. Councillor Laight gave his sincere thanks to Councillor J. Raine, Malvern Hills District Council for his valuable input into the Task Group's final report. Councillor Laight also conveyed his thanks to Worcestershire Shared Service Joint Committee Members and senior officers (from Bromsgrove District Council and Redditch Borough Council), who had been invited and attended Task Group meetings to provide evidence as witnesses throughout the Task Group process.

Councillor Tomlinson then delivered a presentation on the Joint Worcestershire Regulatory Services (WRS) Scrutiny Task Group. The presentation provided background information on the original proposal from Wychavon District Council in July 2012 and the four specific areas covered in the final report:-

- WRS Performance and Communications
- Financing of WRS
- Governance of WRS
- Lessons Learned

Councillor Tomlinson highlighted what had been achieved at the time of the Task Group's report. The Joint Committee had managed to reduce the overall budget from £7.2 million to £4.6 million in a short period of time making significant savings for all partner authorities. Staffing had been reduced from 154 to 99.5 Full Time Equivalent posts.

Councillor Tomlinson briefly explained the reasons for each of the Task Group's recommendations. The Task Group saw themselves as a critical friend and had suggested recommendations that could help with improvements to WRS. The intention was none other than to come up with recommendations that helped the Joint Committee and therefore benefitted county residents. As mirrored in the private sector, ethical principles that the Joint Committee should adopt in order to ensure that the customer was first.

Following on from the presentation Councillor Laight stated that as Chairman of the Task Group it was clearly established that WRS was a world class service that was recognised throughout the United Kingdom as a leader in partnership working.

There was detailed discussion on the recommendations contained within the final report. Joint Committee Members questioned the suggested governance arrangements and were of the opinion that any changes to governance arrangements should be considered following the outcome of the Strategic Partnering project, this would provide a more cohesive idea of the governance arrangements required. Members also questioned why Joint Committee meetings should be held at the base of WRS, as the host authority currently provided support for Joint Committee meetings. With regard to Members appointed to the Joint Committee for a period of two years; Joint Committee

Members felt this was not practical since political parties could change within that two year timescale. Members agreed that the current quorum for meetings ensured fair political representation from each partner authority and were of the opinion that this would not be the case if the quorum was reduced to five representatives in attendance as suggested in recommendation 7.

In response Councillor Tomlinson informed the Committee that the Task Group had not taken into account the Strategic Partnering Project when looking at WRS, the Task Group had looked at WRS as it stood. The revised of quorum of five had been recommended so that decisions to be made could be concentrated on and there was no pressure on Joint Committee Members to attend meetings.

The Joint Committee then considered the recommendations of the Task Group in detail.

### **Recommendation 1**

Performance Management Information should continue to be made available for Members' consideration at every meeting of the Joint Committee and be sufficiently high on the agenda to be discussed in detail.

This was approved.

### **Recommendation 2**

Twelve months after the new contact centre arrangements for WRS have been introduced, replacing the use of the Worcestershire Hub; the Joint Committee should review the effectiveness of these arrangements for communicating with the public.

This was approved.

### **Recommendation 3**

The web-pages of each partner authority should be regularly monitored to ensure they are kept up to date, with the inclusion of a prominent and obvious link to the WRS website.

This was approved.

### **Recommendation 4**

The purpose, content and circulation of the WRS newsletter should be thoroughly reviewed, with a view to it providing a more systematic and comprehensive account of the work and performance of the shared service and with the content and format being agreed by the Joint Committee.

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this part of the recommendation was approved; but Members decided that there was not a need for the content and format of the WRS Newsletter to be approved by the Joint Committee.

#### **Recommendation 5**

That WRS have a designated member of staff to act as a Member Liaison Officer and as a single point of contact to signpost Member enquiries.

This was approved.

#### **Recommendation 6**

In order to reduce the focus on financial considerations which currently play a major part in influencing partner participation, to the detriment of other equally important aspects of the service, the following should be addressed:

- (a) A new business model for WRS be developed through the Chief Executives' Panel, building on the proposals already being produced by the Panel.
- (b) Consideration be given to the option for partner authorities to purchase an "out of hours service".

This was noted.

#### **Recommendation 7**

A new strategic decision making board for WRS should replace the Joint Committee, comprising one elected member per partner authority and supported by senior officers. This should be called the WRS Board.

- (a) Meetings of this Board should take place at the base of WRS.
- (b) Responsibility for attendance at Board meetings should lie with each authority's representative, and the quorum for meetings proceeding should be set at 5 representatives in attendance.
- (c) Meetings of the Board should take place bi-monthly.
- (d) Elected members appointed to the Board should be provided with an induction programme and sufficient on-going training to enable them to fulfil their role effectively.
- (e) Members appointed to the Board be expected to serve a minimum of two years to ensure continuity.
- (f) The Chair of the WRS Board should be elected annually by the members of the Board.

#### **Recommendation 8**

The Management Board be disbanded, with the WRS Management Team taking the lead responsibility for operational decision making under the leadership of the Head of Regulatory Services.

**Recommendation 9**

- (a) The Head of WRS should be fully accountable to the WRS Board (as the strategic decision making body).
- (b) The Chief Executive of the host authority to act in a mentoring role as and when necessary.

**Recommendation 10**

- (a) All decisions made by the WRS Board be formally reported back to all elected members of the partner authorities in a timely manner.
- (b) Attention should be paid to communicating updates about any planned changes to WRS services to all elected members of partner authorities.
- (c) The agendas and minutes of all WRS Board meetings should also be uploaded on to the WRS website in a timely fashion.

Members agreed that officers be tasked to bring forward collective proposals with regard to recommendations 7, 8, 9 and 10, as detailed above, to a future meeting of the Joint Committee.

**Recommendation 11**

The lessons learned from the WRS shared service experience, particularly as detailed in this report, should be heeded by elected members and senior officers when considering any future proposals for shared service arrangements involving multiple partners.

Recommended that partner Council's approve this recommendation.

**Recommendation 12**

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

This was noted.

In summary:-

**RESOLVED:**

- (a) that Recommendations 1, 2, 3 and 4, as detailed at Appendix 1 to the report be approved;
- (b) that Recommendation 5, as detailed in the preamble above, be approved,
- (c) that Recommendations 6 and 12, as detailed at Appendix 1 to the report, be noted; and
- (d) that following on from the outcome of the Strategic Partnering project, officers bring forward collective proposals with regard to

Recommendations 7, 8, 9 and 10, as detailed at Appendix 1 to the report, to a future meeting of the Joint Committee.

**RECOMMENDED**

That each partner authority approves Recommendation 11, as detailed in Appendix 1 to the report.

17/14

**REGULATORY SERVICES INTERNAL AUDIT REPORT 2013/2014 - UPDATE REPORT**

The Committee considered a report which detailed the Worcestershire Regulatory Services Internal Audit Update Report 2013/2014.

The Executive Director, Finance and Resources, Bromsgrove District Council introduced the report and in doing so informed the Committee that an opinion of moderate assurance had been given as there was a generally sound system of financial control in place. No issues had been brought forward from the previous audit.

In response to Members' questions the Executive Director, Finance and Resources, Bromsgrove District Council informed the Committee that although there had been issues with the timing of the budget preparation for 2014/2015 all partner authorities services had been developed with the agreed budget. In order to align both WRS and partner authority's budget setting processes, the WRS Management Board was developing an aligned process in time for the 2015/2016 financial year.

The Head of Worcestershire Regulatory Services (WRS) responded to Members' questions and highlighted that the information on the new Uniform system had been subject to extensive data cleansing of all permanent licensing records and that premises licences had now been cleansed and finalised. Annual licences would be cleansed and finalised by the end of December 2014. Performance monitoring, with regard to comparison data had been patchy, but as the data cleansing progressed Members would be able to see the improvements made with the information presented at future meetings.

**RESOLVED** that the Worcestershire Regulatory Services Internal Audit Update Report 2014/2015, be noted.

18/14

**WORCESTERSHIRE REGULATORY SERVICES BUSINESS MODEL REVIEW**

Following on from the meeting held on 26th June 2014, when the Committee had considered the Worcestershire Regulatory Services, Business Model Review with a recommendation to partner authorities to approve the changes to the Worcestershire Shared Services Partnership Agreement at the earliest opportunity.

Mr. I. Pumfrey, Chairman, Worcestershire Regulatory Services (WRS), Management Board provided the Committee with a brief verbal update on the business model review and informed the Committee that six of the partner authorities had approved the recommendation. Councillor Mrs. L. Hodgson further informed the Committee that discussions had been held and following on from that discussion the recommendation would go through Worcestershire County Council's decision making process.

19/14

### **STRATEGIC PARTNERING HIGHLIGHT REPORT**

The Committee was asked to note the Strategic Partner Procurement Highlight Report.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that the project team now met every fortnight. Dialogue meetings had been held throughout August 2014. During these dialogue meetings one bidder had withdrawn and a second bidder had decided not to submit their outline submission. Therefore only one outline submission had been received. The decision was taken to evaluate and moderate this submission and progress to the next phase for further detailed discussions.

The Head of WRS highlighted to the Committee that the private sector industry had recognised that WRS had driven out savings through transformation. Legal advice had been sought with regard to progressing further with just the one remaining bidder.

The Host Authority's Principal Solicitor responded to Members' questions and informed the Committee that the issue of a single bidder had been looked at in the light of European Union (EU) Procurement principles, to ensure that no critical element had been missed with only one bidder left. Officers had complied with the EU Procurement process, but two bidders had chosen to withdraw. WRS had set out what the requirements were to all bidders at the outset and therefore could continue to progress with the one remaining bidder. There was a need to ensure that if challenged, WRS could justify their decision and show that the process had been robust; that value for money had been considered and that procurement law had been met. WRS had ensured that the remaining bidder was made aware of any concerns or gaps in their submitted bid and were fully aware that each partner authority would have to endorse their bid. This had been done and the remaining bidder had elected to continue with their participation in the process.

The Head of WRS further responded to questions from Members in respect of the pros and cons of only one bidder remaining. The Head of WRS informed the Committee that this had been discussed in detail with the WRS Management Board. Going forward to the next stage, he was of the opinion that the bidder had gone through enough stages to test their validity. If officers had any concerns following further discussions on the detail that sat behind the bidders outline submission, WRS would stop the process. In respect of the question raised regarding a 'Plan B', the Head of WRS

confirmed that officers would have an 'in house' proposal as part of their 3 year financial plan.

The Head of WRS confirmed that the project was currently five days over. However, with the reduction in the number of dialogue days now required, he was hoping to recover the five days.

The Chairman thanked the Head of WRS.

20/14

### **TRANSFORMATION WORK UPDATE**

The Committee were asked to note the transformation work update.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that feedback received from the private sector companies participating in the Strategic Partnering procurement project; had all acknowledged the achievements made by WRS in driving out waste and improving efficiency through transformation work. All of the private sector companies had agreed that they would have struggled to achieve this given the savings already delivered by WRS.

Since its launch in 2010, WRS had undergone major and sustained transformational change whilst experiencing a year on year reduced budget from £7.15 million to £4.4 million. This had contributed significantly in exceeding the challenging savings indicated in the original business case (38% against 17.5%); whilst delivering high quality services and developing new and innovative ways of working which had achieved national recognition.

Transformation had been achieved by applying systems thinking principles in a pragmatic way to service delivery. The clear purposes for the service being:-

- Help me to resolve my problem (and stop it from happening to anyone else)
- I want to think everything is ok (for example, that the food I eat is safe)
- Help me to trade well (safely and fairly) and ensure my competitors do the same.

The Head of WRS responded to Members' questions with regard to first contact telephone calls now being handled 'in house' instead of calls going through the Worcestershire HUB. WRS duty officers had received more complex complaints during the summer period. Duty Officers were receiving on-going training to enable them to deal with complex first contact telephone calls. Senior Officers were extremely pleased with the way the service was progressing.

The Head of WRS further responded to Members' questions in respect of staff morale and any concerns expressed by staff with loosing local links and expertise. WRS had carried out an annual staff survey which had indicated that staff generally felt proud of WRS. Staff morale was affected by further impending budget cuts and possible redundancies. Staff briefings were

regularly held and managers had an 'open door' policy for staff. Some staff had struggled with moving away from their specific skill set, but training and technical training days were arranged for staff. WRS also had a good relationship with the unions.

**RESOLVED** that the transformation work update report be noted.

21/14

**WORCESTERSHIRE REGULATORY SERVICES REVENUE MONITORING**

The Committee considered a report which detailed the financial position for the period April 2014 to June 2014.

The Executive Director, Finance and Resources, Bromsgrove District Council introduced the report and in doing so informed the Committee that there was a final outturn underspend of £58,000 for the reasons as detailed on page 132 of the report. With regard to the ICT system projected costs, the Idox invoice had been paid and the capital budget would be spent on remote and mobile working devices once the mobile working platform has been finalised.

The Executive Director, Finance and Resources, Bromsgrove District Council responded to Councillor Mrs. E. Stokes with regard to more detailed information being provided in the Accounting Statements for 2013/2014 and reiterated that the Worcestershire Regulatory Services Joint Committee had been classified as a small relevant body by the Audit Commission as its income was less than £6.5 million. A detailed revenue report, as requested by the Committee, had been presented to the Joint Committee meeting held on 26th June 2014.

Further discussion took place in respect of more detailed information being presented on fixed assets and comparative data.

**RESOLVED:**

- (a) that the financial position for the period April 2014 to June 2014, be noted;
- (b) that the external auditor certificate and opinion 2013/2014, be noted; and
- (c) that the Executive Director, Finance and Resources, Bromsgrove District Council be tasked to provide detailed information on fixed assets and comparative data to future meetings of the Joint Committee.

22/14

**ACTIVITY DATA QUARTER 1 - 2014/2015**

The Committee considered a report which detailed the Worcestershire Regulatory Services Activity Data for Quarter 1, 2014/2015.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that due to the difficulties with data transfer officers had been unable to show a full data extract for Quarter 1, 2013. Therefore there were no clear comparisons with last year, but going forward this would be possible. The Head of WRS drew Members' attention to the fact that businesses could be victims as well as consumers, albeit there

was an assumption in law that businesses were better equipped to deal with any problems.

The report detailed that licensing and environmental/nuisances continued to be the largest areas of work. Only a limited amount of case work came to fruition during the period, with a number of educational and informational press releases sent out, as detailed on pages 144 and 145 in the report.

**RESOLVED** that the Activity Data Quarter 1, 2014/2015 be noted.

The meeting closed at 6.25 p.m.

Chairman