

WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY C O U N C I L

WORCESTERSHIRE REGULATORY SERVICES

MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE

THURSDAY 19TH FEBRUARY 2015 AT 4.30 P.M.

PRESENT: Councillors M. A. Bullivant (Chairman), Mrs. B. Behan (Vice-Chairman), R. L. Dent, D. Hughes, J. Fisher, B. Clayton, D. Wilkinson, A. Roberts, Mrs. L. Hodgson, A. N. Blagg, R. Davis, M. Hart and P. Harrison

Observers: Mrs. R. Mullen, Corporate Director, Service Delivery, Worcester City Council and Mr. V. Allison, Deputy Managing Director, Wychavon District Council

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

Officers: Ms. C. Flanagan, Ms. S. Morgan, Mr. M. Kay, Mr. S. Wilkes and Mrs. P. Ross

34/14 **APOLOGIES**

An apology for absence was received from Councillor K. Jennings, Wychavon District Council.

35/14 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

36/14 **MINUTES**

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 27th November 2014 were submitted.

RESOLVED that the minutes be approved as a correct record.

37/14 **APPOINTMENT OF ACTING HEAD OF WORCESTERSHIRE REGULATORY SERVICES**

The Committee considered a report that provided information on the vacant post of Head of Service, Worcestershire Regulatory Services (WRS) and the intention of partner authorities not to recruit to this vacant post. Members were asked to consider the appointment of an 'Acting' Head of Service for WRS until a final decision on the future structure of WRS had been considered and agreed.

Mr. I. Pumfrey, Chairman, Worcestershire Regulatory Services (WRS) Management Board introduced the report and informed Members that the post of Head of Service, WRS became vacant on 31st January 2015 and that the WRS Partnership agreement delegated a number of functions directly to the Head of Service, WRS from partners authorities. It was therefore necessary that those delegated functions continued, pending a decision on the permanent appointment of a Head of Service, WRS, in order to demonstrate continuity of delegation, particularly in any enforcement action undertaken by WRS officers.

The report recommended that the Chairman of the WRS Management Board, as an experienced member of the Board with experience in regulatory services, be appointed as Acting Head of Service, WRS in order that the delegated functions continued until the potential new shape of WRS was agreed. It was not proposed to try and provide full time cover for the acting role as some of the workloads required to cover the vacancy would be best met by the two WRS Business Managers. It was anticipated that the acting role would require an input of around one day per week, although this would vary week on week depending on the exigencies of the service. Section 151 (s151) officers had been consulted on the proposals for an Acting Head of Service, WRS and were in agreement that the relevant partner council should be reimbursed in respect of the costs incurred in providing cover for the Head of Service functions. Those costs would be met from savings accrued from the vacant Head of Service, WRS post and would be reimbursed to the relevant partner council.

As highlighted in the report, following on from the unsuccessful outcome of the procurement for a strategic partnership there was now a need to develop and bring forward proposals to ensure the future sustainability of WRS. The view of both partner Chief Executives and the WRS Management Board was that recruitment of a new Head of Service, WRS should be delayed until these changes were agreed to ensure a correct skills match.

Mr. I. Pumfrey, Chairman, Worcestershire Regulatory Services (WRS) Management Board responded to Members' questions and highlighted that the Business Managers were highly regarded and had already taken on a substantial amount of additional work for the service; that it would be unfair to expect the Business Managers to shape a service and structure on which they may be competing, and that strategic management rationale was required. Members were reassured with regard to the rotation of the Chairman, WRS Management Board in June each year, that all of the WRS Management Board representatives had the necessary management skills required to fulfil the post of Acting Head of Service, WRS.

RESOLVED:

- a) that the intention of the partner authorities not to recruit to the vacant Head of Service, Worcestershire Regulatory Services post pending further consideration of the future direction and structure of the service, be approved;

- b) that the Chairman, Worcestershire Regulatory Services, Management Board be appointed as the “Acting Head of Service” for Worcestershire Regulatory Services and that this arrangement would continue pending a final decision on the future structure of the service; and
- c) that a reimbursement to the partner authority for whom the Chairman of the Management Board / Acting Head of Service is employed to reflect the costs of that officer being made available to carry out the Acting Head of Service functions.

38/14

CREATING AND DELIVERING A SUSTAINABLE REGULATORY PARTNERSHIP FOR WORCESTERSHIRE

The Committee considered a report which detailed options and recommendations for changes to the future of Worcestershire Regulatory Services (WRS) business model and partnership agreement in order to create and deliver a sustainable WRS partnership. The report also highlighted the Joint Worcestershire Regulatory Services Scrutiny Task Group recommendations, as detailed in their final report, presented to the Joint Committee on 2nd October 2014. WRS Joint Committee Members were asked to consider the proposals as set out in the report for consultation with partner authorities, WRS staff and relevant stakeholders.

Mr. I. Pumfrey, Chairman, WRS Management Board introduced the report and in doing so highlighted that a secure long term sustainable partnership for Worcestershire would contribute directly to the delivery of partner authorities’ priorities for economic, social and environmental well-being; and would include the priorities for WRS as set out in the WRS Service Plan for 2015/2016.

Financial pressures on local government resulting from austerity measures had resulted in some WRS partner authorities having to make challenging reductions in service expenditure. Recently implemented changes to the WRS partnership agreement had been agreed by the Joint Committee, as not all partner councils were able to commit to sustaining a common future service level. In 2013 the WRS Joint Committee looked at a number of future options for growth for WRS to address the stresses and pressures on partner authorities due to the reduction in local government funding. In 2014 a procurement exercise was undertaken but proved unsuccessful. Whilst procurement did not deliver a strategic partnership with a commercial organisation, it did provide a useful insight in to the strengths and weaknesses of WRS and how WRS was perceived by the private sector. Those insights reinforced that WRS was technically and professional robust and they had provided considerable value in charting the future course for the partnership.

Continuing with the current partnership arrangements was not considered a sustainable long term solution, as the polarisation in service levels and available funding between County and district partners posed significant risks to district partners’ service delivery. The WRS Management Board had considered a wide range of possible options for creating and delivering a sustainable regulatory partnership for Worcestershire. Options included continuing with the current arrangements, dissolving the partnership and reverting to individual service delivery, restructuring the partnership and a

further procurement for a strategic partnership. The report highlighted the options explored and the WRS Management Board recommendations for changes to the future WRS business model, partnership agreement and how these could be implemented. Those proposals also responded to the Joint WRS Scrutiny Task Group's recommendations, as detailed at Appendix 1 to the report.

Restructuring of the current partnership to a smaller partnership, consisting of those authorities who continued to have closely aligned service levels with separate distinctly defined arrangements with other councils, would offer future sustainability. A smaller partnership that continued to take advantage of the proven WRS Joint Committee mechanism, based on common or near-common service levels and interests would be capable of sustaining many of the benefits currently delivered by WRS including its specialist capabilities. Close alignment of partner interests would provide the necessary stability to continue to undertake work for other Worcestershire councils on preferential agreed terms, buffering partners from unacceptable risks to their own service delivery arrangements.

The WRS Management Board's current assessment of partner service levels and financial requirements demonstrated that a smaller partnership based on the six district councils was achievable and sustainable. The County Council had indicated a willingness to consider realigning its relationship to such a partnership as this continued to provide it with a cost effective future service solution. This was therefore the WRS Management Board's preferred future option for WRS. In identifying a restructured, smaller partnership as the preferred option, the WRS Management Board recognised there was a need for internal change within WRS to meet both future partner service requirements and position the partnership to take advantage of opportunities for income generation. The proposed delivery partner network would be underpinned by a combination of contracts and service level agreements. Service level agreements for former WRS partner authorities would be on a preferential 'at cost' basis as detailed at Appendix 2 to the report.

In line with the Joint WRS Scrutiny Task Group, Recommendation 7, it was proposed that the Joint Committee was retained as the mechanism for governing WRS but renamed the WRS Board. This would make its purpose more explicit to external stakeholders. It was also proposed that the membership of the WRS Board be reduced from two Elected Members to one Elected Member per partner authority, with clear arrangements for attendance by substitutes. In addition, and in response to the Joint WRS Scrutiny Task Group, Recommendation 7 and 8, the WRS Board would be attended by each partner's senior officer representative (though in a non-voting capacity). This would improve strategic decision making and remove much of the work associated with supporting both the WRS Joint Committee and the WRS Management Board. It was acknowledged though, that there would still be a need for the senior officer representatives of the councils to meet with WRS Managers to deal with routine business matters and partner liaison.

The financial pressures on the WRS partnership required that the implementation of these proposals needed to be rapid and at minimal

additional cost to current and future partners. It was important that the proposed changes gained the widest possible support to avoid delay or derailment. To achieve these aims, three complementary strands of implementation were recommended:-

Engagement - The engagement strand would concentrate on building understanding of and support for the proposed changes, with direct engagement through briefings underpinned by email circulars, etc. This work would be undertaken by WRS Joint Committee Members, WRS Management Board representatives, key senior officers and Elected Members.

Governance - Governance activities would concentrate on detailed negotiation of the terms of dissolution of the current partnership agreement, the preparation and engrossment of a new partnership agreement and a service level agreement covering County Council services. Input would be necessary from partner authorities' legal teams, WRS Management Board representatives, senior financial officers and Elected Members.

Organisational - Organisational activities would focus on internal structural change within WRS including any appointments to new roles. This work would be led by the Acting Head of Service, WRS and input from WRS Management Board representatives, senior financial officers and Elected Members.

Further discussion followed with those Members who had been involved with WRS and the Joint Committee since inception in 2010, agreed that WRS had delivered a high level of service to date. The service had changed to address partner authorities' financial constraints, but there was still a need to continue to change direction for the future sustainability of WRS.

Mr. I. Pumfrey, Chairman, WRS Management Board and the Host Authority's Principal Solicitor Ms. C. Flanagan responded and provided clarification with regard to the following questions posed by Members:-

Democratic Process -

- What would be the democratic process with a reduction in the number of Joint Committee Members with only one Member per partner authority?
- Which partner authorities rejected the Joint WRS Scrutiny Task Group recommendation to reduce the number of Joint Committee Members from two to one?
- With the current required quorum no Joint Committee meetings have been inquorate. What are the potential implications if the number is reduced and a Member is unable to attend a meeting (due to unforeseen circumstances on route to the meeting), as no substitute would have been arranged?
- Would there be the potential for a vote to be taken without that Member, who may have voted differently?

- Could this result in decisions being made to the detriment of a partner authority or democratic deficit?
- Could there be a potential for lack of democratic accountability and control over decision making if partner authorities are not represented at meetings?
- Urgent Business being raised at a meeting. Could a decision be taken on urgent business without all partner Members being present and aware of any urgent business?
- Will there be a mechanism in place to brief substitute Members?
- Why the need to change the governance arrangements? The current governance arrangements had worked well since 2010.

Voting –

- Unanimity was included in the current partnership agreement at the request of each partner authority. Was there a need to review the current partnership agreement in respect of the functions delegated that require a unanimous vote being taken?
- Unanimity, potential implications if a partner authority Member is unable to attend?
- Was there a need to consider each partner authorities Constitution with regard to unanimity / majority voting?
- The Joint Committee as it stands consists of Elected Members, this enabled Members to look at and question any WRS Management Board decisions. How would this work with both Elected Members and Senior Officers on the newly formed WRS Board?

Service Level Agreement / Contract –

- With the potential for others to join the partnership, what re-assurance was there that the smaller partnership core group would continue to benefit through scale of economy.

Mr. I. Pumfrey, Chairman, WRS Management Board reassured and informed the Committee that the questions and concerns raised during the course of the meeting would be highlighted during the consultation exercise with partner authorities Members, at the forthcoming Member briefing sessions. Following on from the consultation exercise a detailed response to the questions, as highlighted in the pre-amble above, would be included in the report to be presented to the Joint Committee at the June meeting.

It was noted that whilst Joint Committee Members had taken on board the Joint WRS Scrutiny Task Group's final report, some Members felt it should be highlighted that, whilst the recommendations from the Task Group's final report played a part, the governance and core service was being reviewed

because the service had changed and both Members and Senior Officers had realised that a new direction for the service was therefore required.

RESOLVED:

- a) that the proposals as set out in the report for the purposes of consultation with partner authorities, WRS staff and relevant stakeholders, be approved; and
- b) that following on from the consultation exercise; officers provide a further report, setting out the detailed recommendations to the Worcestershire Shared Services Joint Committee meeting on 25th June 2015.

39/14

WORCESTERSHIRE REGULATORY SERVICES BUSINESS PLAN 2015/2018

The Committee was asked to consider and approve the Worcestershire Regulatory Services (WRS) Business Plan 2015/2018 and the risk based hygiene inspection based on the National Food Hygiene Rating System, as detailed in Section 4.3.1 of the WRS Business Plan 2015/2018.

Mr. S. Wilkes, Business Manager, Worcestershire Regulatory Services introduced the report and in doing so informed the Committee that work on a three year business plan had commenced alongside the Strategic Partnering process in case the process failed to result in a positive outcome. The WRS Management Board and Senior Managers, WRS had reviewed and amended the plan and now sought the Joint Committee's approval for this to be the baseline strategic document to be used to take the service forward for the next three years. The Business Plan 2015/2018 strapline was "A Local Government Solution to Local Government Challenges". The Business Plan 2015/2018 outlined how WRS would develop over the next three years to enable the service to:-

- Respond to the financial pressures faced by the various partners.
- Accommodate service variations for those partners, particularly where there are common functions (i.e. District functionality,) whilst maintaining service levels for others.
- Modify financial arrangements to avoid cross subsidy between functionality and partners.
- Continue to provide a core level of service that meets partner's statutory obligations and, offer the option to fund a higher level of service in all functional areas.
- Maintain sufficient expertise to provide resilience, beyond the financial envelope envisaged by partners through income generating activities.
- Continue with high levels of performance as measured by existing KPIs.

Appendix B to the report contained an outline of the agreed and proposed savings platform for each partner authority. The report also highlighted that at this stage, although partner authorities had stated that no further savings were required for 2017/2018, this could be subject to change.

Section 4.3.1 of the WRS Business Plan 2015/2018 provided information of the Food Hygiene and Infectious Disease Function and the Food Hygiene Rating Scheme which Members were asked to consider and approve.

RESOLVED:

- a) that the Worcestershire Regulatory Services Business Plan 2015/2018 be approved, and
- b) that the risk based inspection strategy based on the Nation Food Hygiene Rating System, to plan proactive food hygiene inspections, as detailed in section 4.3.1 of the Worcestershire Regulatory Services Business Plan 2015/18, be approved.

40/14

WORCESTERSHIRE REGULATORY SERVICES SERVICE PLAN 2015/2016

The Committee was asked to consider a report which detailed the Worcestershire Regulatory Services, Service Plan 2015/2016.

Mr. M. Kay, Business Manager, Worcestershire Regulatory Services (WRS) introduced the report and in doing so highlighted that the service plan outlined the way in which the service's activities linked to National and Local Priorities relevant to regulatory services.

Members were informed that the WRS Service Plan 2015/2016 provided a financial picture for the next three years and detailed for Members the activities that the service would focus on over the forthcoming twelve months. The themes identified were likely to inform future plans, although the uncertainties around local government funding had made it difficult to commit to detailed operational plans over periods longer than twelve months.

As detailed on Appendix C to the report, the twelve key outcome measures to measure the performance of WRS had been retained from 2014/2015, a number of which had been determined as a result of consultation with Members and customers.

RESOLVED that the Worcestershire Regulatory Services, Service Plan for 2015/2016 be approved.

41/14

ACCOMMODATION AND ICT HOSTING RELOCATION PROGRESS REPORT

The Joint Committee was asked to note a report which provided an update on Worcestershire Regulatory Services (WRS) move to Wyre Forest House and the transition of WRS ICT.

Mr. M. Kay, Business Manager, Worcestershire Regulatory Services (WRS) informed the Committee that as detailed in the report, an agreed project plan as provided with the report was in place, the project plan was overseen by the project board that had been established. Preparations for the move were progressing well and on track in accordance with the project plan. Bromsgrove District Council the current hosts for WRS ICT were working to a

timetable of 1st July 2015 for supporting the transition of the required systems to Wyre Forest District Council. Positive feedback had been received from over seventy WRS staff who had taken the opportunity to attend a familiarisation visit to Wyre Forest House. The most important priority identified by staff during those visits was the need for a robust ICT system.

RESOLVED that Members note the update provided on the move to Wyre Forest House and transition of the ICT.

42/14

WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING
APRIL TO DECEMBER 2014

The Committee was asked to consider and note the Worcestershire Regulatory Services Budget Monitoring financial position for the period April 2014 to December 2014.

The Chairman welcomed and introduced Ms. S. Morgan, Financial Services Manager to the meeting.

Ms. Morgan, Financial Services Manager introduced the report and in doing so informed Members that, as detailed at Appendix 1 to the report, there was a projected outturn underspend of £138,000, taking into account the £114,000 pension deficit, that was liable to be paid for in 2014/2015, this left a final outturn underspend of £24,000. The ICT system projected costs detailed on Appendix 2 to the report, showed the expenditure for the one off costs associated with the implementation of the project for 2014/2015. There was a possibility that the budget may be reduced by a further £50,000, but with the uncertainty over the cost of mobile working and the costs associated with Worcestershire Regulatory Services relocating to Wyre Forest House it was proposed that a decision on the reduction would be made at the end of the financial year.

RESOLVED that the Worcestershire Regulatory Services Budget Monitoring financial position for the period April 2014 to December 2014 be noted.

43/14

ACTIVITY AND PERFORMANCE DATA QUARTERS 1, 2 AND 3

The Committee considered a report which detailed Worcestershire Regulatory Services Activity Data for Quarters 1, 2 and 3, 2014/2015.

Mr. S. Wilkes, Business Manager, Worcestershire Regulatory Services (WRS) introduced the report, which covered both district and county functionalities. The new extended format, as detailed at Appendix 2 to the report, provided Members with wide ranging information across a number of parameters. The information would build into the full end of year activity report. Each Team Manager has provided written commentary on each of their areas of work in order to provide Members with information on what was happening and to explain some of the wider activity of work undertaken.

In response to Councillor B. Clayton, Redditch Borough Council, Mr. S. Wilkes agreed to provide relevant comparison information in the annual report to identify any specific trends at district level.

RESOLVED:

- a) that the Activity Data for Quarters 1, 2 and 3, 2014/2015 be noted; and
- b) that Members use relevant forums within their respective authorities to share this information with all elected Members.

44/14

WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE -
2015/2016 MEETING DATES

The Committee considered the proposed meeting dates scheduled for 2015/2016.

RESOLVED that the Worcestershire Shared Services Joint Committee meeting dates and start time of 4.30pm for 2015/2016 be approved as follows:

- Thursday 25th June 2015 – Annual Meeting
- Thursday 8th October 2015
- Thursday 26th November 2015 – Budget Meeting
- Thursday 18th February 2016

The meeting closed at 6.11 p.m.

Chairman