

WORCESTERSHIRE DISTRICT COUNCILS

MEETING OF THE WORCESTERSHIRE REGULATORY SERVICES BOARD

THURSDAY, 15TH FEBRUARY 2018, AT 4.30 P.M.

PRESENT: Councillors R. J. Laight, P. Whittaker, B. Behan, H. Campbell, J. Baker (Vice-Chairman), J. Squires, A. Feeney, M. King, E. Stokes (Chairman), and J. Hart

Partner Officers: Ms. A. Davey, Worcester City Council, Mr. V. Allison, Wychavon District Council, Mr. P. Merrick, Malvern Hills District Council, and Mr. M. Parker, Wyre Forest District Council

Officers: Mr. S. Wilkes, Mrs. V. Brown, Mr. M. Cox, Ms. S. Garratt, Ms. K. Lahel, Mr. D. Mellors and Mrs. P. Ross

28/17 **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES**

Apologies for absence were received from Councillor B. Clayton, Redditch Borough Council and Councillor J. Smith, Wyre Forest District Council.

Apologies for absence were also received from Ms. J. Pickering, Bromsgrove District Council and Redditch Borough Council.

29/17 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

30/17 **MINUTES**

The minutes of the meeting of the Worcestershire Regulatory Services Board held on 16th November 2017 were submitted.

RESOLVED that the minutes of the Worcestershire Regulatory Services Board held on 16th November 2017 be approved as a correct record.

31/17 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman took the opportunity to inform the Board that she had attended the Worcester City Christmas Food Festival on the 2nd December 2017.

She was extremely pleased to inform Board Members that, the traders at the event had spoken very highly of Worcestershire Regulatory Services (WRS) and officers from WRS were very welcomed by the traders.

32/17

**WORCESTERSHIRE REGULATORY SERVICES BUSINESS PLAN
2018/2021**

(It was noted that the Worcestershire Regulatory Services (WRS) Business Plan was for 2018/2020 and not 2017/2020 as shown on page 13 of the main agenda pack).

The Board was asked to consider and approve the updated approach outlined in the Worcestershire Regulatory Services (WRS) Business Plan 2018/2020.

The Head of Regulatory Services, WRS, introduced the report and in doing so informed Members that the Business Plan was initially developed in 2015 following on from the strategic procurement exercise. During the leadership training undertaken by the management team, it was determined that WRS required a plan to ensure both the viability of the service and its ability to operate within the budgets available from its partner authorities.

The plan, as attached, had become the high level document that would inform the development of the service for the foreseeable future.

The Business Plan was updated in 2017 following on from the changes made to the partnership arrangement and, given the development and experiences during the last year, it had been updated again with the new timescale taking the service through to just beyond the next general election.

The Business Plan showed how WRS would:

- Seek to provide a viable service within the projected partner budget allocations.
- Understand what a base level of service would look like for partners.
- Support other partners to maintain service levels above this, where this was desired.
- Provide details of plans to “Grow the Business” and increase income to maintain resilience in the face of continued austerity.
- Identify the risks and potential costs if the income generation strategy at the core of the plan began to fail to deliver the requisite levels of income in order to maintain the service.

Local government finance remained difficult. There was an on-going lack of certainty about what the business rates retention, seen by local government as the key source of local government income going forward, would deliver for the partners in Worcestershire.

The Municipal Journal headline of 12th January 2017, had read “Breaking Point”, which highlighted the difficulties faced by the sector

and little if anything had changed during the following year to give comfort to local authorities.

Currently partners were not looking for further savings from WRS and the service was clear that significant efficiencies had been delivered.

Income generation would remain the key factor in the service's business strategy. It was possible that authorities might be encouraged to engage more with WRS and look more widely at contracting services to those who could offer expertise and resilience in service delivery. This would make the plan's challenging income targets more deliverable.

However, there was growing evidence that our current clients might be unwilling to engage with the service beyond their current commitments and some authorities were now focusing on the kind of income generation activities that WRS had chosen to follow some years' previously.

As we see more authorities adopting this strategy, we could see others entering into the market that WRS currently occupied, albeit they would be unlikely to be able to match WRS's scale individually. Support from partners at all levels, but particularly Director, Chief Executive and Leader level would be necessary in selling WRS in what remained a significantly more competitive environment.

The Head of Regulatory Services, WRS, continued and further informed the Board that the demise of Shropshire's outsourced regulatory team had meant that there were fewer serious competitors for WRS's services. However, the creation of Publica, a similar TECKEL company, seemed likely to emerge in the future as a serious potential key competitor.

By understanding WRS costs and with good support from the Host's (Bromsgrove District Council) Finance Team, it had enabled the service to forecast income needs going forward, even beyond this period of the plan; taking us up to the next general election.

On the assumption of cash standstill from partner authorities, the service would need to generate the best part of £500,000 in income by 2021, to continue to be able to offer the current service levels to partner authorities and clients. This would be challenging and there were growing concerns that going beyond the current levels of £300,000 to £350,000 per annum might be difficult.

If this was to be achieved, WRS would need to continue to build on income streams such as Primary Authority and work for other local authorities. WRS would need to maintain the levels of grant income currently achieved and would need to tap into new income streams such as pre-application advice, if the forecast income requirements were to be anywhere near achieved.

This could only be achieved if the service retained its current flexibility to re-invest income in resources where necessary. The service would need to retain the current flexible and well qualified staff cohort and build on it where possible.

The Head of Regulatory Services, WRS, highlighted that adding functions to the WRS structure could provide one way of offering savings in overall cost by rationalising the management and delivery of these activities.

The revised Business Plan identified a number of areas where partner authorities currently had in-house or slightly different shared arrangements where there could be some benefit in considering adding these to the WRS platform. This was something that WRS Managers would need to discuss with officer members of the Board in the coming months as it was likely that business cases would have to be produced to demonstrate the potential benefits before partner authorities could make such decisions

Tables in the Business Plan outlined the levels of income required to achieve the budget allocated by partner authorities and also outlined the potential liabilities for partner authorities should it not be possible to achieve the required levels of income during the next three years. Calculations were based on the current contribution rates for each partner authority.

In February 2017, partner authorities agreed to cover initial shortfalls in income should they occur and, beyond this, there was a reserve of £173,000 maintained from the exit of Worcestershire County Council from the partnership; that Members could authorise to be used to cover overspends.

This should give Members confidence that monies were available to protect partner authorities from the need to cover large overspends in the near future should they arise and, if the income generation model was unable to continue too fully cover costs. It would allow time for the WRS Management Team and the officer members of the Board to identify potential alternatives for each partner authority to consider going forward.

The Head of Regulatory Services, WRS responded to questions from Members and agreed with the positive comments made, that WRS was a leader and therefore needed to stay in front of any potential competitors.

The Head of Regulatory Services, WRS explained that, in relation to some of the services that could be considered for addition to WRS, the approach that would be considered would be to look at the potential impact of pooling together the existing partner workforce in the same way as had been done for Environmental Health and Licensing functions; to create economies of scale that may offer greater

efficiencies. He added that whilst this may not be something that the partners may wish to explore in depth, in the current financial circumstances it was worth at least some initial consideration.

The Head of Regulatory Services, WRS, took Members comments on board with regard to the 'Savings' information, as detailed on page 37 in the report, and agreed to take the comments back to the Host Authority's Finance Team for future reports.

The Chairman took the opportunity to thank officers for a comprehensive and informative Business Plan.

RESOLVED that the updated approach outlined in the Worcestershire Regulatory Services Business Plan 2018/2020, be approved.

33/17

WORCESTERSHIRE REGULATORY SERVICES SERVICE PLAN 2018/2019

The Board was asked to consider and approve the Worcestershire Regulatory Services (WRS) Service Plan 2018/2019.

The Business and Relationships Manager, WRS, presented the report and in doing so informed Members that the Service Plan would help raise Members awareness of what the service was proposing for the relevant financial year. The Service Plan also provided a sign off that some central government bodies liked to see in relation to service delivery plans.

The service would continue to shape its work around the strategic priorities for local authority regulatory services, which were provided more than five years ago by the Department for Business, Energy and Industrial Strategy (BEIS) Regulatory Delivery Team.

A range of high level activities were identified within the plan, informing Members of the general focus of activity. Below this would sit a number of team plans that would be used to drive the actual business activities.

The plan was devised in the face of on-going financial uncertainty in local government generally. Working with businesses and other partners was a key theme for both generating income to mitigate financial risk; but also to ensure that outcomes were delivered that matched the priorities of partners and stakeholders.

The Business and Relationships Manager, WRS, highlighted that delivery for other local authorities was the key income generation strategy, supported by work for the private sector and specific grant monies.

Looking forward, it was likely that other authorities or groups of authorities may come into the market, creating a need for WRS to remain competitive and retain its particular expertise to sell.

The Risk Register, as detailed at Appendix D in the report, had been updated to reflect the fact that WRS had now fully developed their own IT database and the fact that both WRS accommodation and ICT hosting had been moved to Wyre Forest District Council.

Further detail in relation to the Food Hygiene work of the service had been included. This was one of the recommendations from the auditors following the recent Food Standards Agency visit in May 2017.

It was noted that there was a typographical numerical error on page 50 in the main agenda pack. Paragraph 2, the figure should read £3.025M and not £3025M.

Councillor J. Squires, Worcester City Council, commented that WRS provided an excellent service, but she was aware that maybe not all Members of the Board were fully aware of what services each partner authority had signed up for.

The Head of Regulatory Services, WRS, informed the Board that each partner authority had, under the Worcestershire Shared Services Partnership agreement, signed up to a "Statement of Partner Requirements". He would take the comments on board and look at how best to cascade this information to Board Members.

RESOLVED

- (a) that subject to the typographical numerical error, as detailed in the preamble above being noted and corrected, the Worcestershire Regulatory Services Service Plan 2018/2019 be approved; and
- (b) that Members of the Board note the level of work to be undertaken by the service this year, in relation to their roles as local food authorities.

34/17

WORCESTERSHIRE REGULATORY SERVICES REVENUE
MONITORING APRIL - DECEMBER 2017

The Board considered a report which detailed the financial position for the period April 2017 to December 2017.

The Deputy Managing Director, Wychavon District Council introduced the report and in doing so informed the Board that, Appendix 1 to the report, showed projected outturn savings of £21,000 that would be refunded to partner authorities. It was appreciated that this was an estimation to the year-end based on current level of expenditure.

Members were further informed that if the April to December spend on pest control continued on the same trend for the rest of the year, there would be a projected overspend of £9,000. Officers would continue to analyse the overspend and the following was the projected full year overspend to be funded from each partner, this income was in the £336,000 income projected outturn:-

Redditch	£2,000
Wychavon	£3,000
Wyre Forest	£4,000

The Deputy Managing Director, Wychavon District Council continued and further informed Members of the actual bereavement costs April to December 2017 to be funded by partners, as detailed below. These costs were charged on an as and when basis. Due to the nature of the charges it was not possible to project a final outturn figure. This income had also been included in the £336,000 income projected outturn:-

Worcester City	£5,000
Redditch	£2,000
Bromsgrove	£2,000

Appendix 2 to the report detailed the income achieved by WRS during April 2017 to December 2017. At £247,000 the income achieved puts the service on target to slightly exceed the level required to meet the budget for the year. This projected over achievement of income was as a result of the hard work the team had undertaken in order to generate further revenue.

Grant funded expenditure was shown separate to the core service costs as this was not funded by the participating Councils.

The Head of Regulatory Services, WRS, responded to questions from Members with regard to “Supplies and Services” as detailed on page 77 in the main agenda pack.

RESOLVED:

- (a) that the final financial position for the period April 2017 to December 2017, be noted; and
- (b) that partner councils be informed of their liabilities for 2017/2018 with regard to Pest Control and Bereavements, by Section 151 Officers.

35/17

WORCESTERSHIRE REGULATORY SERVICES INFORMATION REPORT - REVIEW OF WRS SERVICE COMPLAINTS

The Board received an information report on the review carried out on Worcestershire Regulatory Services (WRS), Service Complaints.

The Technical Services Manager, WRS, introduced the report and in doing so informed the Board that following a small number of high profile, from individual partner’s perspective, complaints; there was some confusion as to whether it was partner authorities or WRS procedures that were followed. Therefore a review of the WRS complaints procedure and the complaints themselves had been requested by the Chairman of the WRS Board.

The report detailed the service complaint process, the number of service complaints, the reason for the service complaints and the Quality of Service.

There appeared to be a significant common theme in relation to complaints received with regard to the Dog Warden Service, as detailed on page 84 in the main agenda pack.

The Technical Services Manager, WRS, continued and highlighted to the Board the processes followed with regard to stray dogs and the elements of those processes that had faced criticism, as detailed in the report.

Members were reminded that the rigorous approach followed by WRS, as reported to the Board in the regular Activity and Performance Data reports, had created a downward pressure on numbers of stray dogs in the County.

Officers had looked at possible solutions with estimated costs, as detailed on page 87 of the main agenda report.

The Technical Services Manager, WRS, drew Members' attention to the conclusion of the review. That, based on the last three years, the maximum level of success would be preventing seven complaints (2 of the 9 complaints concerned the inability to collect dogs on a Friday evening which would not be resolved by these options). Partner authorities may consider that the benefit of providing such a service (as detailed in Possible Solutions, Options A and B, on page 87 in the main agenda pack), outweighed the cost in delivery or potential service disruption.

The Chairman took the opportunity to thank the Technical Services Manager, WRS, for his detailed report.

RESOLVED that the information report on the review carried out on Worcestershire Regulatory Services (WRS), Service Complaints, be noted.

36/17

ACTIVITY AND PERFORMANCE DATA QUARTER 3

The Board considered a report that detailed Worcestershire Regulatory Services Activity and Performance Data for Quarter 3, 2017/2018. The report focused on Quarter 3 but the data enabled a comparison with previous years.

The Community Environmental Health Manager, Worcestershire Regulatory Services (WRS) introduced the report and in doing highlighted that WRS continued to tackle issues broadly across the County.

The Community Environmental Health Manager, WRS, then drew Members' attention to some of the key points in the report, as detailed below:-

- Licensing and environmental health nuisances continued to provide greatest demand for the service which was understandable given their high profile and direct impact on the public.
- With one quarter left, the total number of food safety cases in Malvern Hills, Redditch and Wychavon had already surpassed the totals for the previous two years. Whilst this did not indicate an increase in non-compliance it did reflect an increase in food safety enquiries from businesses and the general public and a review of such cases may identify opportunities to reroute customers to alternative channels.
- The continuation of relatively high levels of nuisance work carried into Quarter 3, the high number of complex legal cases under investigation, the resignation of a member of staff to take up a new post in the Isles of Scilly and the number of staff on long term sick, had provided a challenge to resources in Quarter 3. WRS retained the services of temporary workers to cover the backlog of work and to keep up with food visits; and to address some of the food businesses identified during the Food Standards Agency audit in May 2017. This had helped to keep the service on track to achieve what was needed during the second half of the year.
- The change in weather in the autumn caused nuisance complaints to return to the usual levels through October and November although a large number were carried forward from the summer months.
- The report showed a falling trend in dog control issues across Worcestershire. This was achieved by taking action to re-home persistent stray dogs and working with owners to achieve better control; together with working alongside communities and individuals setting up their own ways of identifying stray dogs and getting them back to their owners.
- Business satisfaction remained excellent at 97.6%.
- Staff sickness was higher than in previous years at 6.27 days per full time equivalent (FTE). A large contributing factor to this had been a number of longer term health issues.
- The number of complaints against the service remained low but did increase with 9 in the third quarter taking the total to 18; however this was significantly exceeded by the number of compliments received.

Officers responded to specific questions with regard to:-

- The fines awarded by the Courts in relation to recent cases where food businesses were prosecuted in relation to various pest infestations, with Board Members being informed that the fines paid to the courts were handed over to the Treasury, but any costs awarded by the Court in relation to the investigation or the costs of the partner legal departments went back to the relevant partner authority.
- Members were informed that an annual status report on air quality / Air Quality Management Areas (AQMAs) was currently being drafted. Members were further informed that detailed information on air quality and AQMAs could be found on the WRS website.

RESOLVED:

- a) that the Activity and Performance Data report for Quarter 3, 2017/2018, as detailed at Appendices A and B to the report, be noted; and
- b) that Members use the contents of the Activity and Performance Data report for Quarter 3, 2017/2018, to report the relevant information to Members at each partner authority.

37/17

WORCESTERSHIRE REGULATORY SERVICES BOARD - 2018/2019
PROPOSED MEETING DATES

The Board considered the proposed meeting dates scheduled for 2018/2019.

RESOLVED that the Worcestershire Regulatory Services Board meeting dates and meeting start time of 4:30 p.m. for the municipal year 2018/2019 be approved as follows:-

- Thursday 21st June 2018
- Thursday 4th October 2018
- Thursday 15th November 2018 – Budget Meeting
- Thursday 14th February 2019

The meeting closed at 5.25 p.m.

Chairman