

Communities Committee

Item No.

Report title:	Trading Standards Service – future delivery model
Date of meeting:	19 October 2016
Responsible Chief Officer:	Tom McCabe Executive Director of Community and Environmental Services
Strategic impact <p>At the meeting on 16 March 2016, Communities Committee agreed the establishment of a joint Norfolk and Suffolk project board and project team to develop a full business case for a joint service between Norfolk and Suffolk Trading Standards, to be presented to the Committee at this October meeting.</p> <p>This report provides an update on the outcomes of the project for the Committee to consider.</p>	

Executive summary

The outcome of the detailed work of the project team was that there was not a compelling case for establishing a combined Trading Standards Service that would deliver financial efficiencies or operational benefits; however it is proposed that Norfolk and Suffolk Trading Standards Services commit to working more collaboratively to realise enhanced service benefits.

During the project, the team identified a number of areas where joint working would provide enhanced service benefits, without the need to combine the teams. These areas will be explored in more detail and implemented, where appropriate.

Recommendations:

The Committee is asked to agree that:

The Norfolk Trading Standards Service should work more collaboratively with the Suffolk Trading Standards Service, and

A collaborative working action plan is developed to ensure that proposed service developments are further explored and implemented, if appropriate.

1. Proposal

- 1.1. As proposed at the March Communities Committee, a project team, overseen by the Head of Norfolk Trading Standards and the joint interim Heads of Suffolk Trading Standards was convened in April 2016 and worked on the development of a business case for a joint/combined Norfolk and Suffolk Trading Standards Service.
- 1.2. The Heads of Service met in September to review the project team findings and conduct an options appraisal on:
 - a Suffolk hosted joint service
 - a Norfolk hosted joint service, or
 - closer collaboration between the existing services, without a formal joint service combination.

It was determined that there was no clear front runner for a hosting option, with no compelling argument for a formal combination of the two services, without the

potential dilution of control of operations/activities. Paragraphs 2.8 to 2.10 below highlight a number of the issues identified by the project team. In addition there would be upfront implementation costs of delivering a joint service as shown in section 3. The recommended option is to remain as two separately managed and independent services, reaping the benefits of closer collaborative working, which were identified during the project.

1.3. The potential areas that have been identified for collaboration and for the services to pursue are:

- A combined intelligence function, with common processes and shared working, producing common intelligence products
- Shared learning with common processes across the legal (including financial investigation) functions
- Shared working in community protection (including No Cold Calling Zones, Consumer and Community Champions, strategic communications, including via social media and scams). The two services have already organised a joint “Join the Fight” conference on 16 November to raise awareness of how vital it is we work together with partners to fight scams
- Shared working on the Better Business for All (BBfA) initiative. Officers from the two services met on 5 October to determine how they would work together on the BBfA action plan
- Shared learning and development to maintain competency (coordinated commissioning of training and provision of in house training)
- Closer working of Service Leads; leading to attendance on behalf of both services at regional and national meetings and joint enforcement activities (such as sampling programmes), where appropriate
- Common service priorities/service planning with joint strategic management meetings to identify and share best practice
- Common enforcement policy with effect from 2017
- Animal health cross-border authorisations and shared contingency planning, exercises and equipment.

The Services will manage a collaborative working action plan to ensure that these service developments are further explored and implemented, if appropriate.

2. Evidence

- 2.1. At their meeting on 16 March 2016 the Communities Committee agreed the establishment of a joint Norfolk and Suffolk project board and project team to develop a full business case for a joint service between Norfolk Trading Standards and Suffolk Trading Standards, to be presented to the Committee at this October meeting.
- 2.2. As proposed at the March meeting, a project team, overseen by the Head of Norfolk Trading Standards and the joint interim Heads of Suffolk Trading Standards was convened in April 2016. The team comprised of the members of both the Norfolk and Suffolk Trading Standards management teams and representatives from HR, finance, legal, ICT, communications and democratic services from both authorities. Project management and support was provided by Norfolk with expert advice provided by the corporate programme office. The project team utilised Knowledge Hub as the mechanism by which they shared project documentation between the two local authorities.
- 2.3. The project team identified seven work streams to be considered during the development of the business case, covering:

- Legal
- HR
- Finance
- Operations
- ICT
- Governance, and
- Communications

The leads for each work stream were tasked with identifying the potential benefits, issues, costs and savings of a joint service, whether hosted by Norfolk County Council or Suffolk County Council.

- 2.4. The findings from each of the work streams are provided in **Appendix 1: Joint Trading Standards Service Options Appraisal – Potential benefits, issues, costs and savings.**
- 2.5. The project team considered the risks, identified at the outset, as documented in the report presented to committee in March:
 - a. One of the partners withdrawing from the project, resulting in the joint service not being implemented and developing relationships being severed. Triggers for this may include failure to align service priorities or ways of working, legal or contractual complications, or disagreement over resource provision.
 - b. Differences in staff terms, conditions and benefits and a failure to engage effectively with staff resulting in resistance to change.
 - c. Incompatibilities of IT systems (or other technical aspects) resulting in project slippage, inefficient solutions or investment being required for additional systems/technical support.
 - d. Implementation and/or support costs and liabilities to be shouldered by the host authority.
- 2.6. Work already carried out by the two services in the autumn had identified the following potential benefits and risks:
 Potential benefits of a joint service:
 - a. A joint service would enable greater effectiveness, flexibility and resilience, for example when tackling an animal disease outbreak or cross-border criminal activities.
 - b. Sharing of support and management resources and costs could lead to further efficiencies and reduced duplication of attendance at regional and national forums.
 - c. All press and media (including social media and campaigns) could be jointly developed and 'badged' for greater efficiency, exposure and profile.
 - d. Operational activities across the full breadth of the Trading Standards remit could be jointly developed and deployed, again increasing efficiency, exposure and profile. Examples include food sampling, illicit tobacco enforcement and test purchasing of age restricted products.
 - e. Intelligence, financial investigation and legal process functions could be combined to increase effectiveness and resilience.
 - f. Joint commissioning of training and development, operational equipment and technical resources could lead to decreased costs.
 - g. Best practice would be shared and implemented across the new service, with the opportunity created to critically appraise and improve existing work systems.

Potential risks to a joint service:

- a. Divergence in corporate or political priorities between the two local

authorities

- b. Diluted political influence in decision-making in each local authority
- c. Future imbalance in proposed funding from the respective local authorities.
- d. Staff dissatisfaction with new working arrangements leading to low morale, higher turnover and loss of talent.
- e. Disagreement over resource provision, especially in situations where only one county is impacted.

2.7. The Head of Norfolk Trading Standards and the joint interim Heads of Suffolk Trading Standards met in September to review the project team findings and conduct an options appraisal on:

- a Suffolk hosted joint service
- a Norfolk hosted joint service, or
- closer collaboration between the existing services, without a formal joint service combination.

It was determined that there was no clear front runner for a hosting option and no compelling argument for a formal combination of the two services, without the potential dilution of control of operations/activities. Paragraph 2.8 to 2.10 below, highlight a number of the issues identified by the project team. In addition there would be upfront costs of creating a joint service, as shown in section 3 of the report. The recommended option is to remain as two separately managed and independent services, reaping the benefits of closer collaborative working, which were identified during the business case project.

2.8. Operationally:

(a) The Heads of Service were able to readily identify shared service priorities:

- Protecting vulnerable people by engaging the public, businesses and communities to build resilience to scams, doorstep crime and rogue traders.
- Enabling business growth and prosperity by providing support on legal compliance and assuring the level playing field by tackling the most serious illegal trading.
- Conducting intelligence led market surveillance to protect the safety, health and well-being of the public and ensure trading is legal, honest and fair.

(b) During the project the Head of Suffolk Trading Standards post was made redundant with Suffolk realising the budget saving, and interim arrangements put in place. Suffolk proposed that, in the joint service, the current managerial capacity across the two services should be maintained with a restructure of the managerial team leading to a Head of Service, two Assistant Heads of Service (one based in each authority), seven section managers and a team manager at an increased cost of circa £45K per annum. Norfolk Trading Standards did not support this proposal.

2.9. The Human Resources work stream identified significant differences between staff terms and conditions and benefits, which would need to be addressed.

2.10. The project identified little to choose between the two authorities as hosts with the key issues being around calculation and ownership of pension liabilities; different ICT support arrangements; and the management of three national Trading Standards teams.

2.11. In order to reap the benefits of closer collaborative working, the joint service developments that the two Services propose to pursue are:

- A combined intelligence function, with common processes and shared working, producing common intelligence products

- Shared learning with common processes across the legal (including financial investigation) functions
- Shared working in community protection (including NCCZs, Consumer and Community Champions, strategic communications, including via social media and scams). The two services have already organised a joint “Join the Fight” conference on 16 November to raise awareness of how vital it is we work together with partners to fight scams
- Shared working on the Better Business for All (BBfA) initiative. Officers from the two services met on 5 October to determine how they would work together on the BBfA action plan
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The Services will manage a collaborative working action plan to ensure that these service developments are further explored and implemented, if appropriate.

3. Financial Implications

- 3.1. The project could not identify a clear financial imperative to recommend a formal combination of the two services.

Area	Potential costs	Notes:
Staff costs	£45K per annum	The proposal from Suffolk (not supported by Norfolk) would increase the cost of the current management team. Staff are likely to transfer over under existing terms and conditions and therefore there would be little scope for savings.
Implementation costs		The legal cost of formally constituting the new body.
ICT Costs – calculated differently so both options are shown	£125k capital £33.4K per annum ongoing revenue	If Suffolk County Council were to host Capital renewal not accounted for
	OR £109k annual revenue cost	If Norfolk County Council were to host
Pension costs	£186.8K per annum Unless the corporate	If Suffolk County Council were to host

	lump sum were to be disaggregated, resulting in £56.8K per annum	
	OR (£120K) per annum	If Norfolk County Council were to host

There are no immediate financial implications if the preferred option of closer collaborative working between Norfolk and Suffolk Trading Standards Services is adopted, however it is anticipated that some efficiency savings could be realised through the delivery of the proposed collaborative working action plan, which will also help enhance the resilience of the teams.

4. Issues, risks and innovation

- 4.1. The detailed issues and risks are captured in **Appendix 1: Joint Trading Standards Service Options Appraisal – Potential benefits, issues, costs and savings.**

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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