

Communities Committee

Item No.

Report title:	Trading Standards Service – Future service delivery model
Date of meeting:	16 March 2016
Responsible Chief Officer:	Tom McCabe Executive Director of Community and Environmental Services

Strategic impact

Following preliminary research, the Heads of the Norfolk and Suffolk Trading Standards Services strongly believe that the establishment of a joint service between the two authorities will increase resilience, better enabling them to deliver protective services to vulnerable individuals and communities and to support economic growth across both counties. Establishment of a joint service also accords with the commitment of both authorities to work more closely together, and potentially offers a more sustainable future for local trading standards services.

Executive summary

It is proposed that, if the Committee agrees that the potential benefits of a joint Norfolk and Suffolk Trading Standards Service outweigh the potential risks, a full business case is developed over the next six months for the establishment of a joint service between Norfolk and Suffolk Trading Standards.

Recommendations:

The Committee is asked to agree to:

- (a) **The development of a full business case for a joint service between Norfolk Trading Standards and Suffolk Trading Standards.**
- (b) **The establishment of a joint Norfolk and Suffolk project board and project team to develop the business case.**
- (c) **The presentation of the full business case to the Communities Committee at the meeting in October 2016. and,**
- (d) **The timetable such that, subject to approval of the business case by both authorities, the joint service could be implemented with effect from April 2017.**

1. Proposal

- 1.1. There are various potential advantages in developing a plan to join Norfolk and Suffolk Trading Standards Services. Both counties enjoy a similar demography, geography and demand profile with the 'criminal markets' being very similar and/or shared. Both services enforce the 'full range' of Trading Standards duties with intelligence leading to the targeting of similar enforcement priorities. Both acknowledge the importance of the food and farming communities to the economic prosperity of their areas by giving priority to minimising the spread of animal diseases, to animal welfare, and to monitoring the quality of animal feed and fertilisers and food standards throughout the whole supply chain.
- 1.2. Both local authorities have already committed to closer working and are currently

developing a joint devolution bid. Both services enjoy a close and fruitful relationship with Norfolk & Suffolk Police and both acknowledge the need to work more closely with the New Anglia Local Enterprise Partnership (NALEP).

- 1.3. Both services acknowledge the necessity of maximising their budget effectiveness in order to be able to deliver credible protective services over the coming years. A joint delivery model should enable both services to be more resilient, and to protect the services they can deliver.
- 1.4. Work already carried out by the two services has identified the following potential benefits and risks:

Potential benefits:

- 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. Future imbalance in proposed funding from the respective local authorities.
 - b. Divergence in corporate or political priorities between the two local authorities.
 - c. Staff dissatisfaction with new working arrangements leading to low morale, higher turnover and loss of talent.
 - d. Disagreement over resource provision, especially in situations where only one county is impacted.
 - e. Diluted political influence in decision-making in each local authority.
- 1.5. It is proposed that a full business case is developed for a joint service between Norfolk Trading Standards and Suffolk Trading Standards. This will require the establishment of a joint Norfolk and Suffolk project board and project team. It is proposed that the full business case will be presented to the Communities Committee at the meeting in October 2016 (and similarly to Suffolk's Cabinet) and, subject to approval of the business case, the implementation of the joint service could take effect from April 2017.

2. Evidence

2.1. The rationale for the development of a joint service between Norfolk and Suffolk Trading Standards is documented in section 1. The following alternative options have been considered but are not recommended for the reasons stated.

2.2. Trading Standards to remain a single service within Norfolk County Council. As a result of national funding cuts, in January 2016 the Local Government Association (LGA) published its 'Trading Standards Review', a short and high level review conducted in the latter part of 2015 into the future of trading standards services. It concluded that services managed at scale offer the most sustainable future for local trading standards services. It identified that *"larger services are considerably better placed looking ahead to the future, having the resources to be active in a wider range of specialisms than their smaller counterparts, leaving them better placed to manage not only a range of local priorities, but also competing local and national priorities. Larger services will have the capacity to be more flexible and responsive to emerging issues, redeploying resources more easily as required. Additionally, larger services will also have the capacity to support key areas of expertise – such as the use of intelligence, new commercial services, and financial investigators who can help secure funds through the Proceeds of Crime Act – that can ensure existing resources are targeted appropriately, as well as helping to generate additional income."*

The review went on to say that *"in order to ensure the future sustainability of trading standards work, councils should explore the options for sharing their services to create larger units. There is no one size fits all model for different councils, but having fewer, larger trading standards services, which serve more than one council but sit fully within local government structures, is likely to help ensure greater long term resilience of trading standards expertise."*

The review also urged councils looking at creating larger trading standards services to learn from areas that have successfully introduced new structures, such as West Yorkshire, Devon & Somerset, and Surrey & Buckinghamshire. In particular, how they have successfully balanced the benefits of larger services whilst retaining local accountability and prioritisation. Indeed, senior managers from Norfolk and Suffolk Trading Standards services recently visited Buckinghamshire County Council for this very purpose and will seek their ongoing advice should the Committee agree to support this report's recommendations.

2.3. Create a joint service with a Trading Standards Service other than Suffolk. This would not enable the benefits of the unique synergies of our two counties to be realised (as described in section 1 above).

2.4. Join in a shared Regulatory Service with District Council Environmental Health, Licensing and Planning Departments. This has previously been attempted in Worcestershire but its success has been limited and their Trading Standards Service has recently been returned to the auspices of the county council. In Norfolk the other regulatory services are not consistently organised within their respective district councils and it is considered that any unification of these services could be a lengthy process.

2.5. The divestment of Trading Standards from the Council and subsequent re-commissioning from the market is not considered to be an option. Such services are not available, primarily due to the necessity for enforcement officers to be directly employed by the council, and, moreover, the regulation of businesses

(including criminal investigations, enforcement action and the prosecution of offenders) in order to maintain a fair, safe and equitable trading environment is a key role of local government in a mixed economy.

3. Financial Implications

- 3.1. It is not anticipated that the development phase over the next six months will have significant financial implications, other than in Trading Standards officer time being partly dedicated to the project. This will be managed in the context of service delivery requirements and will seek to minimise any impact on services to the public and businesses.

The full business case will address the financial implications of any options proposed.

During the development of the business case, there will be resource implications for support functions in both authorities as detailed in Section 4 below.

4. Issues, risks and innovation

- 4.1. The development of a full business case will require the establishment of a joint Norfolk and Suffolk Trading Standards project board and project team.

The management teams of both Trading Standards Services are committed to fully engaging our staff in the process. Staff from both councils will have the opportunity to become actively involved in working groups established with effect from April 2016; developing specific strands of the project.

A Human Resources lead from each local authority will need to be appointed to ensure that staff interests, engagement and consultation, as well as employment law provisions, are fully addressed.

The project team will also need support from finance, legal, ICT, communications and democratic services colleagues to address funding, legal agreements/delegations, public and business consultation and political governance.

- 4.2. As part of the project, risks will be identified, analysed, actively monitored and addressed. At this early stage, the following risks have been identified and will be included and controlled within the project risk register:

- 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.

- 4.3. It is anticipated that neither the development of the full business case nor the creation of a joint service will have a negative impact on the public facing service; on Norfolk and Suffolk residents (including those with protected characteristics), businesses, partner agencies or other stakeholders. An Equality Impact Assessment will be conducted and included in the report to the

Committee in October 2016.

- 4.4. Existing staff will be affected to varying degrees by any future decision to move to a full joint service. Implementation may include TUPE transfer of staff from one authority to the other; changes arising from convergence of terms, conditions and benefits; development of a common career progression scheme; some recasting of individual roles and responsibilities to reflect the new joint service management and delivery needs; and changes in processes and systems, requiring training and operational adjustments.
- However a future joint service should bring positive benefits for staff as a result of greater opportunities within a larger, more resilient and prestigious service.

5. Background

- 5.1. The Local Government Association (LGA) summary report of their review of trading standards is published on the [LGA website](#).

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:

Officer name : Sophie Leney

Tel No. : 01603 224275

Email address : sophie.leney@norfolk.gov.uk



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