



WOKINGHAM BOROUGH COUNCIL

An Extraordinary Meeting of the **COUNCIL** will be held at the Civic Offices, Shute End, Wokingham, RG40 1BN on **TUESDAY 6 DECEMBER 2016 AT 7.30 PM**

A handwritten signature in black ink, appearing to read 'Andy Couldrick', written in a cursive style.

Andy Couldrick
Chief Executive
Published on 28 November 2016

This meeting will be filmed for inclusion on the Council's website.

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WOKINGHAM BOROUGH COUNCIL

Our Vision

A great place to live, an even better place to do business

Our Priorities

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

The Underpinning Principles

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

To: The Members of Wokingham Borough Council

ITEM NO.	WARD	SUBJECT	PAGE NO.
65.		APOLOGIES To receive any apologies for absence	
66.		DECLARATIONS OF INTEREST To receive any declarations of interest	
67.		PUBLIC QUESTION TIME To answer any public questions. A period of 30 minutes will be allowed for members of the public to ask questions submitted under notice. The Council welcomes questions from members of the public about the item included within the agenda. Subject to meeting certain timescales, questions can relate to general issues concerned with the work of the Council or an item which is on the Agenda for this meeting. For full details of the procedure for submitting questions please contact the Democratic Services Section on the numbers given below or go to www.wokingham.gov.uk/publicquestions	
68.	None Specific	PUBLIC PROTECTION SHARED SERVICE To consider a report relating to the setting up of a Joint Committee with West Berkshire and Bracknell Forest Councils following the Executive's agreement on 24 November 2016 to enter into a shared service arrangement for the delivery of Public Protection services. RECOMMENDATION: That the Council agrees following agreement by the Council's Executive to enter into a shared service arrangement for the delivery of Public Protection services with Bracknell Forest Council and West Berkshire Council (host) commencing January 2017:- 1) to authorise the creation of a Joint Committee with West Berkshire Council (host) and Bracknell Forest Council through the Public Protection Partnership (PPP) to determine policy, strategy and oversee the performance monitoring and management of the new PPP;	5 - 14

- 2) to delegate to the Joint Committee WBC Council (non-Executive) functions in respect of public protection to enable the Joint Committee to further delegate the operational functions to the managers of the shared service;
- 3) to authorise the appointment of the Executive Member for Resident Services and his/her Deputy together with one substitute member (to be agreed by the Executive Member for Resident Services) onto the Joint Committee.

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TITLE	Public Protection Shared Service
FOR CONSIDERATION BY	Council on 6 December 2016
WARD	None specific
DIRECTOR	Josie Wragg, Interim Director of Environment

OUTCOME / BENEFITS TO THE COMMUNITY

- The new intelligence led operational model allows the service to focus resource on priorities in a proactive way
- There will be a cost saving to the Council and improved efficiency will result in improved value for money
- There will be an increased level of control to the Council over the strategic direction, policies and financial arrangements of the shared service

RECOMMENDATION

Following agreement by the Executive to enter into a shared service arrangement for the delivery of Public Protection services with Bracknell Forest Council and West Berkshire Council (host) commencing January 2017 Council agrees to:

- 1) authorise the creation of a Joint Committee with West Berkshire Council (host) and Bracknell Forest Council through the Public Protection Partnership (PPP) to determine policy, strategy and oversee the performance monitoring and management of the new PPP;
- 2) delegate to the Joint Committee WBC Council (non-Executive) functions in respect of public protection to enable the Joint Committee to further delegate the operational functions to the managers of the shared service;
- 3) authorise the appointment of the Executive Member for Resident Services and his/her Deputy together with one substitute member (to be agreed by the Executive Member for Resident Services) onto the Joint Committee.

SUMMARY OF REPORT

The current shared service agreements for the Environmental Health, Licensing and Trading Standards Services between WBC and West Berkshire Council are due to expire in January 2017.

The proposal is to enter into a new shared service arrangement with West Berkshire (host) and Bracknell Forest Councils. This service will provide the Environmental Health, Licensing and Trading Standards Services under the new heading of the Public Protection Partnership (PPP). This arrangement will allow the cost of the service to the Council to be reduced by £50k per annum.

The new arrangement is significantly different to the current shared service in its governance approach. A Joint Committee made up of two representatives from each partner authority will be responsible to set the strategic direction, policies and financial

arrangements of the shared service. The Council's contribution to the cost of the service will be agreed through the Council's annual budget setting process. These arrangements provide WBC with greater control over the shared service.

The Executive agreed at its meeting on 24 November 2016 to enter into a shared service arrangement and Council is therefore asked to authorise that a Joint Committee is set up to oversee the delivery of the shared service, and that two Wokingham Borough members and one substitute are appointed to this Joint Committee. The Council is also asked to agree to delegate the Council functions in respect of the shared service to the Joint Committee. The operational functions will then be deleted further to officers of the Public Protection Partnership.

Operationally, the service will adopt the National Intelligence Model which allows the Joint Committee to set priorities that will filter through the management structure to inform the allocation of work. This ensures that resources are targeted on priority areas and those of greatest impact and risk. This provides a greater amount of flexibility to respond to changing needs and priorities such as changes legislation or circumstances on the ground.

The Executive agreed:-

- for Wokingham Borough Council to enter into a shared service arrangement for the delivery of Public Protection services with Bracknell Forest Council and West Berkshire Council (host) commencing January 2017
- to delegate authority to the Borough Solicitor, in consultation with the Director of Resources and Executive Member for Resident Services to finalise Inter Authority Agreement between the three Councils
- To delegate WBC Executive functions in respect of public protection to the Joint Committee with West Berkshire Council (host) and Bracknell Forest Council through the Public Protection Partnership (PPP) and to enable the joint Committee to further delegate the operational functions to the managers of the shared service.
- To agree the fees and charges (based on a cost recovery basis) for the Public Protection Shared Services as set out in Appendix 3.

Analysis of Issues

Background

In June 2010, WBC entered into a 5 year agreement with West Berkshire Council for the delivery of the Trading Standards Service, and this was then followed by further five year agreement for Environmental Health and Licensing Services in January 2012. The Trading Standards agreement has been extended and both agreements come to an end in January 2017.

Under the current shared service arrangements, all WBC Environmental Health, Licensing and Trading Standards functions are delegated to and delivered by West Berkshire Council. WBC still retains its own Licensing Committee and sub Committees / Panels as required. When the shared service was set up, all WBC staff were TUPE Transferred to the host authority West Berkshire Council.

There were several drivers for setting up the existing shared service. One of the main drivers was finance and the merger enabled WBC to realise £180k per annum mainly through reduced management costs and reduced overheads. In addition, as the Council had been finding it difficult attract staff, establishing the shared service enabled greater resilience, allowing it to recruit and retain staff, to develop specialisms, and to gain additional resource by attracting alternative funding. The quality of the service has improved significantly and performance levels have been consistently met.

The shared service has generally been effective and has met the objectives of reducing costs and improving operational performance. While there has been an Executive Member Joint Strategic Review Panel in place and a Client Officer within the Council to oversee the shared service, the Council's statutory obligations have been delegated to another authority under the current arrangement. In order to ensure that the Council has the maximum level of control over the shared service going forward, a different arrangement has been adopted (see Governance section below)

Under the current arrangement, the cost of the shared service to WBC was agreed through the legal agreement. This amount has been constant for the whole 5 year term of the agreement (with only CPI applied). West Berkshire Council had control over the shared service budgets and the fees and charges set for the shared service (on a cost recovery basis).

The new shared service model

Bracknell Forest Council approached the shared service to investigate joining the arrangement. Given the expiry date of January 2017, there was an opportunity to expand of the shared service to include them as a partner to form a three-way shared service (Bracknell Forest, West Berkshire and Wokingham Borough Councils). This service will provide the Environmental Health, Licensing and Trading Standards Services under the new heading of the Public Protection Partnership.

In order to ensure that WBC members have a greater level of influence over the shared service, in negotiating the new arrangement an alternative approach has been taken in respect of the governance arrangements. The service also differs from the current one

in respect of the operating model.

Governance arrangements

The proposed Governance arrangements are set out in Appendix 1 of this report and further explained in Appendix 2. This fundamentally differs to the current arrangement because the responsibility for the shared service will no longer be delegated directly to the host, but to a Joint Committee which will set the strategic direction, policies and oversee the financial arrangements of the shared service.

The Joint Committee will be made up of 6 members (2 from each partner authority with one substitute). As a result of this new arrangement, the Executive Member, their deputy and/or substitute will sit on the board and have the influence over the service. Under the proposed arrangements, the budget and financial arrangements (including fees and charges) will be considered by the Joint Committee which will make recommendations to WBC to set the budget through the annual budget setting process. The Council's Executive was therefore asked and approved the fees and charges set out in Appendix 3 for the new shared service arrangement.

The new arrangement will ensure that WBC has a greater level of control over the priorities and policies of the shared service, and over budget setting and other financial matters.

Operational issues

In order to enable the new shared service to make savings, operational changes to how the shared service is currently delivered are required. Environmental Health and Licencing Services will be brought into line with the existing model for Trading Standards which is based on the National Intelligence Model. In practice, this approach sets key priorities which will be agreed through the Joint Committee and filtered through the management structure identified above. Information is collected and measured against these priorities, also risk is considered and then work is allocated on this basis. The result is that resources are focussed on those cases where there is greatest level of risk and where there is the greatest potential impact. This allows the service to manage it resources more effectively and to become proactive rather than being reactive. (See Appendix 2).

Finance

There are several drivers for seeking change within all three partner councils, not least the need to contribute to the savings targets. As mentioned above, the existing shared service arrangements allowed the Council to save £180k per annum in operational costs. The new arrangements will provide an additional saving. (See Appendix 2)

Opportunities for the future

The new service would be able to seek new sources of income. This could include undertaking work on behalf of other local authorities. These decisions will be taken by the Joint Committee but if the proposal is to have another full partner join the shared service, this would be considered by each partner Council's Executive. Where efficiencies give rise to savings, the legal agreement provides a mechanism for equitable sharing of any future savings based on the original cost basis.

Contract term and time table

The initial agreement is for a ten year term. However, after 3 years, any party can give 12 months' notice of their intention to leave the shared service arrangement.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£1,132,275 total budget	Yes	Revenue
Next Financial Year (Year 2)	£1,132,275 total budget	Yes	Revenue
Following Financial Year (Year 3)	1,082,000 total budget	Yes	Revenue

Other financial information relevant to the Recommendation/Decision

There will be a reduction of £50k in year 3 as a result of the additional partner and an alternative operating model

Cross-Council Implications

Future opportunities for collocating the shared service in one location will be considered releasing office space at Shute End

List of Background Papers

None

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Date 25 November 2016	Version No. 1

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APPENDIX 1- RESPONSIBILITIES

Joint Committee	Joint Management Board	Joint Management Team
Purpose: To provide strategic direction and make key decisions that enable this	Purpose: Advisory	Purpose: Delivery & Operational Decisions
Meeting frequency: Twice each year, or more frequently if deemed necessary.	Meeting frequency: Quarterly	Meeting frequency: Monthly
Led by: Executive Members	Led by: Senior Officers	Led by: Two Joint Service Managers
Comprises: JC Members: Executive Member from each Council plus one further Non-Executive Member from each Council One Substitute Executive/Non-Executive Members from each Council The Chair to have a casting vote unless otherwise stated in the Agreement.	Comprises: All members of the Joint Committee plus a senior client officer identified by each of the Councils and the two Joint Service Managers	Comprises: Two Joint Service Managers and Operational Team Managers
Responsibilities assigned:		
To provide strategic direction for the service and monitor delivery of the Service.	To act as an informal sounding board for the Joint Service. The Board shall be a forum for consultation, discussion, resolution of issues and recommendation to the Joint Committee on all aspects of delivery of the service.	Day to day management of the Service, including providing statutory returns: monitoring day to day performance of the Service and teams: responding to information needs identified by the Joint Committee or Joint Management Board.
To ensure effective performance of the Service: Agreeing key performance indicators at a strategic level for the Service by the end of February in the preceding financial year: Formally by considering performance against agreed measures.	To review reports from the Joint Management Team to work collaboratively with the Service to improve overall performance, helping ensure links are made to other Council Services and helping to break down barriers that inhibit performance. (Capitalising on the Board's networks)	Production of reports to be considered by the Joint Committee or Joint Management Board including: An annual report on delivery of the Business Plan: Proposed charges: Performance against key measures (which may include statutory returns); HR issues and Resource issues where relevant.
To set the overall strategic direction of the service through developing and agreeing the business plan.	To be consulted on the draft Business Plan, including priorities and measures.	Production of a draft Business Plan for the coming financial year, including service priorities and anticipated performance measures.
To set key policy for the service taking into account relevant information.	To be consulted on proposed key policy changes – where relevant / necessary.	To develop reports on proposed key policy changes e.g. Enforcement Policy.
To consider and agree key policy documents	To be aware of the joint service policy in respect to prosecutions and other disposals.	To make prosecution and other disposal decisions.
To maintain financial oversight of the Service to ensure sound financial management. To agree any variations from the budget from the Inter Authority Agreement.	To quarterly review the budget monitoring information	Monitor the budget, approve spend in accordance with Standing Orders for financial processes. Provide budget monitoring reports to the JMB and JC.
To monitor delivery of the Business Case including delivery of savings and	To provide support and guidance to the Joint Management Team to	To provide annual reports to the JMB/JC on delivery of the business

additional income.	assist achievement of delivering the Business Case.	case.
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Additional information – Public Protection Shared Service

Governance arrangements

The proposed Governance arrangements are set out in Appendix 1.

The Joint Committee – The Joint Committee will set the strategic direction of the shared service and hold it to account. It will comprise of two members from each partner authority and there will be one substitute. Legislation requires one of the nominees to be an Executive Member and it is suggested that this should be the Executive Member within whose remit the services fall.

The Joint Committee will be hosted by West Berkshire Council and the Chair will rotate annually with the initial Chair from Wokingham Borough Council. It is expected that this Joint Committee would need to meet at least biannually and the timing of this would need to tie in with the Council's budget setting process as it would be responsible to make recommendations to inform the next year's budget, fees and charges

The Joint Committee will not have the responsibility that already falls to the Licencing Committee of the Council as each Council will retain its own licensing functions, associated legal processes and appeal panels.

Joint Management Board- WBC would nominate a Senior Client Officer which would sit on this operational board. This board would be made up of the client officers from each partner authority and the heads of the new combined service. This group will be responsible for driving core business and ensuring the respective needs of the three partner councils are properly considered at an operational level.

Joint Management Team- Overall daily management will be a function of the operational management team lead by the host authority through the Joint Service Managers and the operational team managers. The Group would manage the overall operational needs and ensure the progress against targets is reported to the Joint Committee through a number of pre-determined key performance indicators and financial information.

Service Delivery Model

The Environmental Health and Licencing Services will be brought into line with the existing model for Trading Standards which is based on the National Intelligence Model. This model sets priorities and identifies and responds to those matters which

are considered to be of high risk or that have the greatest impact, whilst allowing for the development of an understanding of emerging issues.

Finance

As part of negotiating the new arrangement, the shared service has estimated the total budget required to allow it to deliver a three way shared service. This has been based on existing budgets although posts have been removed through conjoining services and through the new operating model. The shared service has then modelled activity levels across the three partner authorities to identify the cost to each.

For Wokingham, the fee charged for the first 15 months of the service (remaining 2016/17 budget and the 2017/18 financial year) is 33% of the total shared service budget reflecting the 33% of total activity that has been identified through the activity model. This cost/activity comparison indicates that the cost of the service in its first year will be proportionate to the total amount of work that is expected to be undertaken by the shared service on behalf of the Council.

After 2017/18, the financial arrangements of the shared service will be considered by the Joint Committee which will make recommendations to the Council about the financial payment to the shared service. This will be set through the Council's annual budget setting process. Financial activity will be monitored by the shared service for consideration by the board and if there are any changes in legislation, priorities or activity levels, this can be reflected in the next financial year budget. Further, there is a redistribution clause contained within the legal agreement that would enable additional costs and savings to be allocated proportionally and appropriately at the end of each financial year.