

TITLE	Public Protection Partnership
FOR CONSIDERATION BY	Community and Corporate Overview and Scrutiny Committee on 10 September 2018
WARD	None specific
DIRECTOR	Josie Wragg, Interim Director of Environment

OUTCOME / BENEFITS TO THE COMMUNITY

- The new service delivered a 70K recurring saving to WBC
- The new governance arrangements have created a shared service with very clear joint oversight, policy setting and management arrangements
- The new delivery model built on the National Intelligence Model has ensured the service delivery objectives are strongly focussed on local need and priorities

RECOMMENDATION

Following consideration of the report that the Committee:

- 1) note the progress made in the first 18 months;
- 2) note the fees and charges methodology at Appendix 2 to this report;
- 2) agree to receive another report on progress in 12 months' time.

SUMMARY OF REPORT

In June 2010 Wokingham Borough Council entered into a shared service arrangement with West Berkshire Council for the delivery of a shared trading standards service. This was followed in January 2012 with a shared service arrangement covering the environmental health and licensing functions. The governance arrangement in the original agreement was a Joint Service Review Panel which had an advisory role. In reality the delivery of the service was delegated to West Berkshire Council and over time this arrangement led to a view that Wokingham Borough Council had lost control and oversight of their services. Both agreements ended in January 2017

In 2016, discussions began between West Berkshire District Council and Wokingham Borough Council about a new arrangement for a shared service together with a new partner Bracknell Forest Council. This gave the opportunity to partners reconsider the type of service, its operating model and governance arrangements.

The new arrangement is significantly different to the previous shared service in its governance approach. A Joint Committee made up of two representatives from each partner authority is responsible to set the strategic direction, policies and financial position of the PPP Shared Service. However, partner councils set their own budget and fees and charges for the service. Wokingham Council has saved £70k through the new service in additional to the £180k saving from entering into the shared service originally

Operationally, the service adopted 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. The aim is to ensure that resources are targeted on priority areas and those of greatest impact and risk. This has provided a greater amount of flexibility to respond to changing needs and priorities such as changes legislation or circumstances on the ground.

The service is now integrated across the three authorities but faces a number challenges including loss of licensing income, the need to move to full cost recovery, ICT and accommodation. A review is currently taking place into areas identified as ones where further work is needed

Analysis of Issues

1. Background

The 2010 and 2012 Shared Service Models

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 then shared service arrangements, all WBC Environmental Health, Licensing and Trading Standards functions were delegated to and delivered by West Berkshire Council though WBC retained its own Licensing Committee and sub Committees / Panels 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 2010 and 2012 shared service agreements. 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 2017 Shared Service Model

In 2016 Bracknell Forest Council approached the shared service to investigate the possibility of entering into a shared service arrangement. Given the expiry date of January 2017, there was an opportunity to develop a new shared service to include them as a partner to form a three-way shared service (Bracknell Forest, West Berkshire and Wokingham Borough Councils). This new service arrangement was subsequently approved by all three Councils and the Environmental Health, Licensing and Trading Standards functions delegated to a new Joint Committee to be delivered by a new service to be known as the Public Protection Partnership.

The Current Governance Arrangements

The current Governance arrangements are set out in the Business Plan in Appendix 1 to this report. This fundamentally differs from the previous arrangements because the responsibility for the shared service is no longer delegated directly to the host, but to a Joint Committee made up of all partners which was tasked with setting the strategic direction, policies and oversee the financial arrangements of the shared service.

The Joint Committee made up of 6 members (2 from each partner authority with one substitute) has now met 6 times and considered agreed a number of key strategy and policy arrangements. These include the Business Plan, Strategic Assessment (priorities) and Control Strategy (work plan) It also considered and recommended the 2018/19 budget and considered key policies on the use of monies received under the

asset recovery incentivisation scheme including setting up the successful Public Protection Community Fund. Finally it has received regular performance reports. All PP Joint Committee papers can be found here:

<https://wokingham.moderngov.co.uk/ieListMeetings.aspx?Committeeld=363>

It is important to recognise that this Committee is as much a Committee of this Council as is any other committee with delegated powers. It is clear 6 meetings in that this new arrangement consisting of the Joint Committee and the Joint Management Board has meant 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

The PPP has delivered a high level of performance on a reduced budget. The performance paper considered by the Joint Committee in June 2018 sets this out in detail. Because of the size of PPP, the service has been able to draw on expertise to develop areas such as the intelligence function, case management unit, financial investigation team and its approach to programme delivery. It is recognised as an effective and high quality service by others and currently delivers services such as case management, petroleum enforcement, animal health, animal feed work and financial investigations to other authorities. Finally it has been able to attract grant funding for regional and national investigations where the offences affect local residents but the offending is cross border.

That said there are still operational challenges. A review of the service is currently taking place to examine if current arrangements are suitable as the service continues to embed the National Intelligence Model. This will report in October and will be considered by the Joint Committee in due course.

IT is a significant problem and the service still has three databases operating on two servers. Work is underway to procure a new single system for PPP. There is also the issue of accommodation. It is clear that being spread over multiple sites is not helpful to service cohesion and culture. This is likely to feature in the forthcoming review although any change could require significant investment.

Finance

The Joint Committee makes representatives to each partner authority about the cost of the service and fees and charges but the Council sets its own budget and fees and charges through its annual budget setting process.

The WBC contribution to PPP in 2018/19 is £1.14M which equates to approximately 33.6% of the PPP budget. The new service produced a recurring saving of 70K per annum for WBC. This was in addition to the £180K produced by the previous shared service.

The service continues to develop and innovate but there are significant financial challenges. While WBC has saved £250K per annum through delivering services through PPP, the continued demand for further budget reductions is likely to be maintained over the short to medium term. It is likely that further savings will be achieved in 2019/20.

Income is problematic also particularly loss of income from Licensing Act 2003 activities with a significant number of licensed premises closing. A full review of discretionary fees has taken place ahead of the 2019/20 budget setting process with a view to aligning the former BFC and West Berkshire/Wokingham fees structures where appropriate. The basis is full cost recovery and any decision to set fees lower will amount to a subsidy of those fees which is a matter for each individual authority.

Fees and Charges

As part of the move towards full cost recovery the Joint Committee has taken a three stage approach. In the first instance a full cost recovery rate of £53 per hour was approved. This is now £55 per hour. In the second instance it was agreed that principle of full cost recovery should apply to all discretionary fees and charges set by the Councils. Finally the Joint Committee agreed a methodology for setting fees. Details are shown at Appendix 2 to this report.

The next stage will be for the Joint Committee to propose a 2019/20 fees and charges schedule to each Council. This is an agenda item for their meeting on the 18th September 2018. It is important to stress that whilst the Joint Committee has an obligation to recommend a budget and a fees and charges schedule to each of the Councils, it remains the responsibility of each council to set its own budget with respect of PPP including fees and charges and anything proposed can be varied locally including any decision to lower the fee and effectively provide a local subsidy.

Opportunities for the future

The PP continues 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.

Engagement with Partner Authorities and Others

Shared services are driven largely by the financial challenges local authorities now face and to achieve resilience in service delivery. PPP is committed to raising the profile of issues, its work and the partner councils as it delivers its vital protective services. It also seeks to work with other aspects of partner authorities work. This is very evident with Wokingham Council where the service currently works with planning and housing functions regularly over poor housing standards, illegal caravan sites etc. It also works with adult social care on Support with Confidence and safeguarding matters and with colleagues in public health to deliver the youth alcohol and tobacco harm reduction strategies.

The service will continue to engage directly with Members of each of the partner Councils to highlight work going on in the priority areas such as poor housing, doorstep crime, licensing etc. Examples of this engagement include the Members Bulletin and Licensing Bulletin.

In terms of other key local partners we work closely with Thames Valley Police, RBFRS, schools and where appropriate town and parish councils amongst others.

In short the PPP although a shared service is very much a local service focussed on local issues.

Other financial information relevant to the Recommendation/Decision
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There will be a further reduction in funding in 2019/20

Cross-Council Implications

As set out in report

List of Background Papers

Joint Public Protection Committee reports and Minutes at https://wokingham.moderngov.co.uk/ieListMeetings.aspx?Committeeld=363

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