

Merton Council

Joint Regulatory Service Committee Agenda

Membership

Councillors:

London Borough of Merton

Nick Draper
Judy Saunders

London Borough of Richmond upon Thames

Pamela Fleming
Rita Palmer

Date: Tuesday 9 December 2014

Time: 10.00 am

**Venue: Committee rooms B & C - Merton Civic Centre, London Road,
Morden SM4 5DX**

This is a public meeting and attendance by the public is encouraged and welcomed.
For more information about the agenda please contact or telephone .

All Press contacts: press@merton.gov.uk, 020 8545 3181

Joint Regulatory Committee Agenda

9 December 2014

- | | | |
|---|--|--------|
| 1 | Apologies for absence | |
| 2 | Declarations of pecuniary interest | |
| 3 | Minutes of the meeting held on 21 October 2014 | 1 - 4 |
| 4 | Service update report | 5 - 8 |
| 5 | Terms of reference for the committee | 9 - 10 |

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non-pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Assistant Director of Corporate Governance.

Agenda Item 3

JOINT REGULATORY COMMITTEE
21 OCTOBER 2014

10.30am Committee Rooms B&C

PRESENT Cllrs Judy Saunders (LBM), Nick Draper (LBM), Pamela Fleming (LBRUT), Rita Palmer (LBRUT)

Also present:

Jon Freer, Assistant Director, Development and Street Scene, (LBRUT & RSP Board Member), Paul Foster, Head of Regulatory Services Partnership (LBM), Paul Chadwick, Director of Environment, (LBRUT), Chris Lee, Director of Environment and Regeneration, (LBM), John Hill, Head of Public Protection, (LBM & RSP Board Member)), Hilary Gullen, Democratic Services Officer (LBM)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

None

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

None

3 WELCOME AND INTRODUCTIONS (CHRIS LEE AND PAUL CHADWICK) (Agenda Item 3)

Cllr Saunders was appointed chair for the committee.
All present introduced themselves.

4 BACKGROUND TO THE ESTABLISHMENT OF THE REGULATORY SERVICES PARTNERSHIP (JOHN HILL AND JON FREER) (Agenda Item 4)

Chris Lee and Paul Chadwick gave information about the background to the establishment of the Regulatory Services Partnership. Chris Lee explained how collaboration can protect important services while making savings. There had been a Memorandum of Understanding signed by interested boroughs, agreeing to look at opportunities in all service areas, looking at how to deliver savings while keeping services resilient. Chris remarked that it was an immature market, with good opportunity for successful collaboration.

Paul Chadwick gave more information on the four years it had taken to develop and then establish the partnership and today for the Committee to hold the first meeting. He set out how the ambition had been to have five borough collaboration. However, it was realised that with five boroughs,

officer and political alignment was going to be difficult in the short term. After discussion and development of a business case only Richmond and Merton to choose to pursue the partnership.

There are three aims in the collaboration:

The first was to achieve early savings

The second will be to drive out further efficiencies by looking at current practices

The third to make the service more resilient

Paul also said there would be interesting opportunities regarding event management with the Rugby World Cup taking place in Twickenham in 2015, as well as the continued opportunities provided by the annual staging of Wimbledon tennis championship.

5 GOVERNANCE AND MANAGEMENT ARRANGEMENTS (JOHN HILL AND JON FREER) (Agenda Item 5)

John Hill spoke about significant dates so far, including the original five borough partnership and the cabinet approval. John also spoke about meeting the financial challenge, and delivering the service in a new and improved way. The shared service is currently in its third month is already proving to be successful with opportunities already emerging for more efficient and resilient ways of working.

John explained that in June 2013 the decision was taken that Merton would be the host authority, Merton having a good track record of delivering a shared service eg HR and Legal shared services both of which involve Merton and Richmond. However, this collaboration was different in that it is for front line services. John also pointed out that other boroughs would be very interested in seeing how the collaboration worked, as it was a new initiative in London. A project manager was appointed in the autumn of 2013 to work with the Shared Services Management Board to implement phase one of the project which involved the development of a new management structure and to focus on savings and changes in working practices.

In April 2014 Paul Foster was appointed as the Head of The Regulatory Services Partnership, and over the summer a series of interviews was held to create the management structure. This has led to the number of managers reducing from 12 to 7. The initial assessment is that the new management structure is working well.

The management board would benefit from the members' input into direction of travel before phase 2 in the delivery of the shared service. There will be more impact on frontline staff in phase 2.

Jon Freer spoke of how the shared services should be managed and how the management board and members might work together, on whether there are

efficiencies to be had and how to go forward. The collaborative agreement dated 1st August set up the structure for this.

It was thought that other boroughs might join at a later date, but ‘bedding’ in time was needed to establish the services first.

The chair requested the terms of reference be brought to the next meeting, and advice on regulations. Members need to know what is going on to develop a strong partnership. Also required is advice on the budget and whether this is separated by council or joined.

Jon Freer went on to talk about coming together in different ways, and what to deliver. Trading Standards and Environmental Health services were delivered with little income, so it would be possible to look at what the statutory minimum standards are for delivery and what can be bought over and above this. In response to a question about maintaining the standard of services, Chris Lee responded that the partnership would need to satisfy members that they are maintained. There would be opportunities to share and spread best practice. Both boroughs had common ground, wanting the same outcomes, but these were delivered in different ways. It would be important to maintain, achieve and deliver excellence. There might be choices for members in the approach that is adopted, and change might be uncomfortable, but would result in improved efficiency and effectiveness. The services were ‘people’ services so efficiencies would be made through use of information technology and training.

In response to a question from a member, Paul Chadwick explained that Croydon had withdrawn from the collaboration for political reasons. John Hill confirmed that the withdrawal of LB Croydon was not in any way connected with concerns regarding the RSP.

6 PLANNING SERVICE DELIVERY FOR 2015/16 (PAUL FOSTER) (Agenda Item 6)

Paul Foster explained that regulatory services were key public protection services, which the public were not usually aware of until something went wrong. The period from August 2014 to March 2015 will be “business as usual” with the original service plan commitments being delivered. 2015/16 will be Phase 2 of the project when we sit down with stakeholders to agree the new service priorities and how we go about delivering these. Foremost amongst these discussions will be determining what the core service plan should be and what might be considered chargeable “add-ons”. Licensing is a statutory reactive function, that each authority is required to perform regardless of whether a shared service is in place or not. The partnership will continue to be audited by third party organisations like the Food Standards Agency (FSA) which critically examines local authority food safety procedures. The FSA also coordinates the national Food Hygiene Rating System which provides the public with internet based food safety assessments of their local

restaurants and food businesses. The scheme has been very popular with the public and has raised standards of hygiene in food premises. This model needs to be evaluated to see if it can be applied in other areas of the service. The service is keen to explore new ways of working like the use of hand-held technology to shorten the business process and increase productivity. We are also keen to explore whether any of our business advice services which are currently provided free, could be chargeable. It might also be possible to target regulatory activities into a particular geographical area to improve health outcomes and reduce health inequalities. We also need to be aware of new legislative developments and how they will impact on the service. i.e. financial / organisational.

7 FORWARD PLAN FOR THE JOINT COMMITTEE (JOHN HILL AND JON FREER) (Agenda Item 7)

It was agreed that the following would be brought to the next meeting:

- Terms of Reference
- Information on current services
- Areas of potential change and service improvement
- Budget and income generation
- Service plans
- Legislation
- Performance Management
- Residents' involvement
- Best practice
- Update on implementation

It was agreed that members' would be included in the circulation list for the newsletter that currently went to staff.

The date of the next meeting will be Tuesday, 9th December, 10am in committee rooms B&C at the Civic Centre, Morden.

Provisional dates for future meetings:
23rd February 2015 at 2pm – LBM
9th June 2015 - LBM

Agenda Item 4

JOINT REGULATORY COMMITTEE

09 DECEMBER 2014

SERVICE UPDATE (PAUL FOSTER)

The Regulatory Services Partnership (RSP) between the London boroughs of Merton and Richmond comprises a range of statutory, regulatory services that includes Environmental Health¹, Trading Standards and Licensing

A brief summary of the main types of activities carried out by each service area is listed below:

Environmental Health

- Food safety – programmed inspections of food businesses, investigation of complaints, labelling and composition of foods, sampling of foods.
- Infectious diseases (including food poisoning) – working closely with the SW London Health Protection Unit to minimise the spread of infectious diseases by educating cases and close contacts on good personal hygiene.
- Occupational safety – investigation of notifiable accidents and dangerous occurrences (can include fatalities).
- Pollution – investigation of noise and smoke nuisances, assessment of contaminated land, air quality monitoring, authorisation and regulation of polluting industries, pre-planning acoustic assessments.

Trading Standards

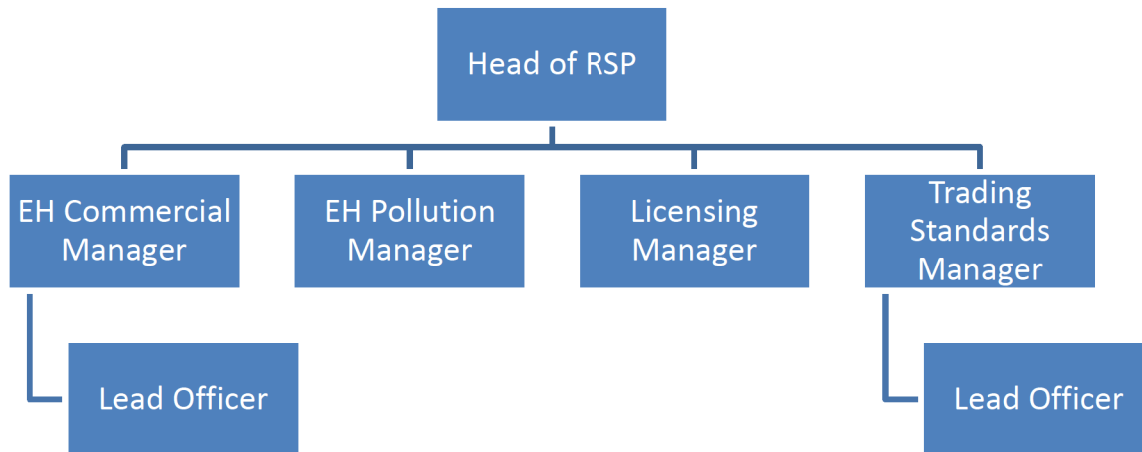
- Doorstep crime – prosecution of rogue traders that prey on the elderly and vulnerable
- Age restricted goods i.e. knives, alcohol, tobacco, spray paints etc., - regular programme of test purchases to identify under age sales
- Counterfeit goods
- Scams – criminal schemes to defraud consumers
- Fair trading – clocked cars, misleading claims
- Product safety – furniture, children's toys, mobile phone chargers
- Weights & measures

Licensing

- Alcohol, entertainment and late night refreshment – pubs, clubs and bars
- Gambling – betting shops, bingo halls, amusement arcades
- Animal welfare – boarding & breeding establishments, pet shops, dangerous wild animals
- Special treatments – tattooing, skin piercers, beauty therapies, nail bars
- Street trading – markets, forecourts, mobile food vans
- Sexual entertainment venues – lap dancing clubs, hostess bars
- Lotteries

¹ Doesn't include private sector housing

The structure of the service is divided into the four functional areas i.e. EH Commercial, EH Pollution, Trading Standards and Licensing. The management structure chart is as follows:



Underneath the management tiers there are 41 operational, front-line staff split equally between offices in Morden and Twickenham. As the service grows there may be the potential to co-locate and realise financial savings.

ICT

Both boroughs utilise different case management systems and again, there may be an opportunity to rationalise them thereby creating efficiencies and realising financial savings.

Finances

- The partnership has a combined total revenue budget of approximately £2.7m the vast majority of which are staffing costs.
- The combined service also attracts a total income of approximately £607,000 the vast majority of which is from licensing fees.

Income Generation

Aside from licensing income, which is based solely on strict, not for profit, cost recovery principles, the service is exploring new, innovative ways to generate income and offset overheads and a few of these are listed below:

- Developing a hard charging mechanism by which it will be possible to accurately cost each functional activity and then charge/recharge existing and future partner organisations depending on the level of service(s) they require.
- Charging commercial developers for pre-planning application advice on the environmental impact of new developments. Currently this service is currently provided free by both

Merton and Richmond but other local authorities are starting to charge developers for this service.

- Charging commercial organisations for business advice. Currently Trading Standards provide free advice to businesses on the sale of goods and services and especially due diligence surrounding terms and conditions.
- Acting as a Primary Authority for large, national and international companies whose headquarters are located in either Richmond or Merton. Currently, Trading Standards and Environmental Health, provide free advice on the redundant Home Authority principle. By adopting the new Primary Authority protocol, it is legitimate to charge businesses for advice on regulatory compliance.
- Creating new street trading opportunities and licensing them e.g. markets, roving bikes selling coffees and busking

Performance Management

Both Merton and Richmond monitor regulatory services performance quite closely. Typical key performance indicators are as follows:

- Numbers of high-risk food premises inspections carried out compared against the number scheduled to be done
- Number of licensing applications processed within the required timescales
- Amount of licensing income generated
- Numbers of under-age sales test purchases carried out
- Numbers of complaints responded to within five days
- Numbers of FOI requests responded to within the required deadlines
- Numbers of Member enquiries responded to within the required deadlines

In addition to departmental performance monitoring the service is also subject to periodic audits by the internal audit teams and, in the case of food safety, by the external Food Standards Agency.

Consultation with residents and businesses

The service does carry out periodic customer satisfaction surveys that are sent to both residents and businesses and whilst these are helpful in providing a snapshot of service quality they are by their very nature reactive as opposed to proactive and consideration is currently being given to canvassing the views of businesses on exactly what sort of service they would like and using this data to inform future service delivery.

Update on implementation

The Regulatory Services Partnership has been operational since the 1st August 2014 and in that short time has managed to complete a management restructure and achieved the financial savings target set for phase 1 of the project. The benefits of sharing are also starting to be realised by both management and staff not least the resilience provided by having a greater pool of staff from which to deploy staff across both boroughs to assist with short-term service delivery issues. Morale is also starting to improve following the inevitable dip which followed the restructure.

Looking ahead

- We have received tentative enquiries from two neighbouring boroughs interested in joining the partnership.
- We need to harmonise wherever possible the fees and charges across the two boroughs. Currently we are operating separate fee structures but when Merton became the host authority Richmond delegated the function to them and there is now a need to ensure that both authorities charge on a similar basis.

END

Agenda Item 5

Regulatory Services Partnership

Change Management Task Group

Terms of Reference

1. To take the lead on transition management ; ensuring that 'business as usual is maintained during the transition period and that the agreed changes are effectively implemented into the business
2. To prepare each business function for the transition to new ways of working and determine new business processes
3. To oversee the implementation of new businesses processes which reduce costs, are sustainable and improve the customer experience.
4. To manage the realisation of benefits of the shared servcie
5. To identify and implement the maximum improvements in business operations
6. To work with the Change Manager to ensure that the transformation plan (those identified as tasks for the RSP MT) including the scope of each task covers the necessary aspects required to deliver the services that will lead to operational benefits

Change Grid

- Direct cost savings
- Efficiencies
- Sustainability
- Customer experience
- Innovation

This page is intentionally left blank