

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COMMUNITY SAFETY AND GOVERNANCE OVERVIEW AND SCRUTINY COMMITTEE

16th SEPTEMBER 2015

REPORT OF THE ASSISTANT CHIEF EXECUTIVE LEGAL AND REGULATORY SERVICES

Update Report on the Regulatory Services Collaborative Project

1. Purpose of Report

1.1 This report provides an update on the development of the shared regulatory service between Bridgend, Cardiff and the Vale of Glamorgan Councils.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities

2.1 The Joint Regulatory Service contributes towards the aims of the Single Integrated Partnership Plan (SIPP), Bridgend County Together 2013-18, 'Bridgend County is a great place to live, work and visit' and in line with Bridgend's corporate objectives 'People in Bridgend are healthier' and 'Making best use of resources'.

3. Background

3.1 As part of the Welsh Government's Regional Collaboration Fund (RCF), the Bridgend, Cardiff and Vale of Glamorgan Councils considered and approved a shared service opportunity in relation to Regulatory Services.

3.2 Following a procurement exercise, using the RCF, external agents, Atkins, were commissioned in September 2013 to produce a business case, Target Operating Model and implementation plan for the creation of a shared regulatory service.

3.3 An officer project team reviewed the commissioned work and proposals with a view to ensuring these would fit the changing circumstances of the Councils. The information used in the creation of the commissioned report was the 2013/14 budget for the services.

3.4 The proposal was put forward as a way to address the dwindling resource base available to these services and envisaged an integrated service, operating under a single management structure for the Trading Standards, Environmental Health and Licensing functions, with a shared governance arrangement ensuring full Elected Member involvement.

3.5 The vision for the new service created a new operating model; there being three service areas complemented by a central administrative function as follows:

- Neighbourhood services - activities relating to domestic premises or which have an impact on local communities;
- Commercial services - activities relating to business premises (generally where national standards apply);
- Enterprise and Specialist services - existing or potential income generating services and/or discrete specialisms; and Administration - administration and support activities and services

3.6 On 22nd September 2014, the Vale of Glamorgan’s Cabinet approved the proposal to create a shared Regulatory service with approval also being gained from the Bridgend and Cardiff Cabinets on October 7th and 9th respectively. As some of the functions undertaken by the Regulatory Service are “non-executive” functions these proposals also needed to be considered and approved by the full Council at each Authority. The proposal was approved by Bridgend Council on 15th October, by Cardiff Council on 23rd October and by the Vale of Glamorgan on 12th November 2014.

3.7 The scope of the regional service is captured in a Joint Working Agreement between the local authorities plus a joint Business Plan and a Core Services document which sets out exactly what is in scope and what is not. Crucially, the model of delivery places the customer at the centre of all that the organisation does, and the key role of administration and support is clearly recognised as the vital interface between service users and the delivery of the services they require.

3.8 The Joint Working agreement provides the constitution for a Joint Committee to be formed and begin its role of overseeing the implementation, development and on-going operation of the Shared Regulatory Service. The first meeting of the Joint Committee took place on 20th April 2015.

4 Current Situation

4.1 The Head of the Shared Regulatory Service, Dave Holland, was appointed in April 2015.

4.2 Some 170 “in-scope” employees were successfully transferred to the Vale of Glamorgan Council (as host employer) on the 1st May 2015 and paid under their newly transferred contract on the 15th May 2015.

4.3 Post transfer induction/introduction sessions were completed for all “in-scope” employees during the first three weeks of May 2015 in order to ensure that pre-transfer assurances had been followed through.

4.4 The post transfer restructuring consultation process is underway following discussions about principles and protocols with the trade unions and will continue in accordance with the schedule as set out below:-

CONSULTATION/MANAGING CHANGE PROPOSED TIME-LINE		
Key Activities	Description	Time-scale

Transfer Date	Formal transfer of staff to host employer	1st May 2015
Management of post transfer restructuring consultation process	Commence consultation process <ul style="list-style-type: none"> - indicative structure - selection and assimilation process - approach to mitigating redundancies - meetings with trade unions - meetings with staff group - continuation of 1-1 sessions - consider outcomes from consultation - refine proposals as appropriate - respond to staff/unions - finalise prior to next stage 	June to September 2015
Populating the new organisational structure	To be managed on a “tier by tier” basis <ul style="list-style-type: none"> - dealing with matching issues - invitation for selection process - selection for new posts - processing voluntary redundancies 	September to November 2015
Implementation of new staffing structure	<ul style="list-style-type: none"> - implementation of new structure - processing redeployment - processing termination as appropriate 	November 2015

- 4.5 A key point of agreement with the trade unions and staff was the need to bring forward the appointment process for the second tier managers within the new structure (i.e. the three Operational Managers). This was completed and three Operational Manager appointments were made on the 10th July 2015, in line with the new Operating Model, of Neighbourhood Services, Commercial Services and Business and Enterprise Services.
- 4.6 A number of ICT related activities were carried out prior to 1st May 2015 to enable transferring staff to continue to carry out their duties without interruption through the transfer process. Cardiff, Bridgend and Vale networks were connected and other ICT infrastructure works were undertaken to allow Cardiff and Bridgend based staff (and any remote working staff) access to a number of Vale systems.
- 4.7 An ICT project manager has taken up his post and has been consulting with regulatory representatives from Bridgend and Cardiff Councils. Three key projects have been identified, two of which have gone through project scoping and initiation phases:

- Develop a new website for the Shared Regulatory Service. This will involve auditing and migrating existing Regulatory content from the partner LA websites and holding workshops with key service staff to capture functionality and service requirements. Then identify and prioritise website functionality and phase delivery of the new website.
 - Shared service software and systems audit, to identify the software and systems that are currently in place and in use in the shared service and report and make recommendations towards more joint systems.
- 4.8 The agreed gross 2015/16 budget for the Shared Service is £9.799M. This includes allocations for core service costs, implementation costs as well as several Authority-Specific costs which will be recharged to relevant Authorities at cost plus management fees.
- 4.9 Finance Officers from all 3 Authorities have met several times to discuss and clarify financial procedures for the Shared Service going forward. This process will continue in the short term.
- 4.10 Update reports have gone to the Joint Committee, along with the food law plans for the three authorities, which longer term will be merged into one plan and the WAO assessment of the Environmental Health services for each Council.

5 Effect upon Policy Framework & Procedure Rules

- 5.1 None directly arising from this report and its recommendations, details on how the new arrangements will operate are within the Joint Working Agreement signed by each authority.

6. Equality Impact Assessment

- 6.1 Initial equalities impact assessment work was conducted as part of the Cabinet and Council process undertaken to establish the joint service.

7. Financial Implications

- 7.1 As stated above the agreed gross 2015/16 budget for the Shared Service is £9.799M. This includes allocations for core service costs, implementation costs as well as several Authority-Specific costs which will be recharged to relevant Authorities at cost plus management fees.
- 7.2 The financial and human resource implications associated with the creation of the new service were contained in the relevant Cabinet and Council reports. These projections were refined further to take account of some minor changes to the scope of the services provided and a one month delay in implementation.
- 7.3 In terms of Bridgend Council these proposals will realise operational savings (i.e. excluding implementation costs) of approximately £285,000 for 2015-16, and a total cumulative on-going savings of approximately £350,000 by 2017-18. This is subject to the assumptions built into the business case on costs and income generation. Whilst these savings are based on the direct costs of the service, there may also be savings on indirect costs such as support

services (HR, finance etc.) and premises costs, but these cannot be quantified at the current time. It should be noted that further savings from the shared service are highly likely to be required in the coming years.

8. Recommendation

- 8.1 It is recommended that Community Safety and Governance Overview and Scrutiny Committee note the contents of the report.

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Background Documents:

Cabinet reports September/October 2014

Council reports October/November 2014