

PERTH AND KINROSS COUNCIL

Community Safety Committee

20 May 2015

Opportunities for Trading Standards and Environmental Health in Tayside

Depute Director (Environment)

This report is the outcome of a scoping exercise undertaken Perth and Kinross Council, Dundee City Council and Angus Council to investigate the potential for sharing Environmental Health and Trading Standards services. The report does not recommend the creation of a strategic shared service, but indicates opportunities for other collaborative approaches to ensure resilience, public protection and cost minimisation.

1. BACKGROUND

- 1.1 The Chief Executives of Perth and Kinross Council, Dundee City Council and Angus Council commissioned several reviews to investigate opportunities for shared services across Tayside. Two areas identified for review were Trading Standards and Environmental Health.
- 1.2 A working group, consisting of senior managers from each Council, undertook an initial scoping study during 2013 and 2014, which merged the review of these two activities into one study. The scoping review report is appended (Appendix A). The report was agreed by the working group members in November 2014. It was agreed that each Council would take the report through their respective governance arrangements, for approval. The report was considered by the Council's Modernising Governance Member Officer Working Group on 4 March 2015.
- 1.3 The report highlighted that there are already several shared activities between the three Councils (see Appendix 2 of Appendix A). It concluded that moving to a strategic shared service did not project significant cost savings, and carried several risks (see Appendix A section 4.3). The report advocated exploring a formal partnership approach. This approach would offer an opportunity to share capacity, resilience, expertise, technical equipment and procurement opportunities, without the risks of creating a new organisational structure. The report favoured the "Resource Sharing Group" model, currently used by the Contaminated Land teams in Perth and Kinross Council, Fife Council and Clackmannanshire Council, to share staff expertise, and technical equipment (see Appendix 4 of Appendix A). This initiative has reduced site investigation costs by 70% (compared to outsourcing the work). It also won a Silver Award at the 2014 CoSLA Awards.

2. PROPOSALS

- 2.1 The report at Appendix A was written from the joint perspective of all three Councils. The following further observations are either specific to Perth and Kinross Council, or add further commentary beyond the original report.
- (a) The benchmarking information (Appendix 1 of Appendix A) shows that the cost of Environmental Health per 1,000 population in Perth and Kinross Council (£17,400), is less than Angus Council (£25,400); with the cost of Trading Standards in Perth and Kinross Council (£2,270), less than both Dundee City Council (£3,770) and Angus Council (£6,680). Therefore, if a strategic service was to be proposed with efficiencies to be shared commensurately between the Councils, this would not be equitable in view of the current imbalance of costs between Councils. (Note: The report only had benchmarking information up to 2012/2013, as that was the only information available at the time of its preparation).
 - (b) If a single strategic shared service was formed, with the transfer of staff and managers to that organisation, there would be a reduced management capacity within the Council to contribute to other corporate priorities.
 - (c) Other Councils outwith Tayside have indicated a desire to engage with Perth and Kinross Council in shared activities similar to the Resource Sharing Group approach (mentioned in section 1.3). The Tayside Report (Appendix A) recommended extending the proposed shared arrangements to include Fife Council. Perth and Kinross Council officers believe that engaging also with neighbouring Councils beyond Tayside would strengthen the opportunities for this shared approach, and the advantages it offers. This could be a later phase of development for this initiative.
 - (d) There has been an ongoing debate about the challenges facing Scottish Local Authority Trading Standards services, dating back to an Audit Scotland report in January 2013. A report submitted to the CoSLA Consumer Protection Task Group on 6 February 2015, highlighted reductions in budget, an ageing workforce, and very little progress since the Audit Scotland report. The report authors - the Society of Chief Officers of Trading Standards Scotland (SCOTSS) - stated a preference for a framework of fewer, bigger, more capable services delivering consumer protection across wider regions of Scotland, within a local government context. The proposals in the attached report address these concerns, and are consistent with the aspirations expressed by the SCOTSS report.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 Trading Standards and Environmental Health are vital public services which protect the vulnerable, reduce inequalities, preserve public health and safeguard our environment. In common with all Council functions, the future financial outlook will put pressure on these services, to ensure appropriate levels of capacity, technical expertise, and resilience to protect public health and wellbeing. As a result, sharing capacity and resource will be a powerful way to mitigate the challenges ahead.

It is recommended that the Committee approves that:-

- (i) The most appropriate approach to sharing Environmental Health and Trading Standards Services is through a combined Formal Partnership and informal sharing arrangements.
- (ii) The Working Group should progress with the development of sharing proposals, as detailed in section 5 of the report appended.
- (iiim) Fife Council should be invited to become a partner in the development of these sharing arrangements.

Author

Name	Designation	Contact Details
Keith McNamara	Head of Environmental and Consumer Services	01738 476404 KDMcNamara@pkc.gov.uk

Approved

Name	Designation	Date
Barbara Renton	Depute Director (Environment)	6 May 2015

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	No
Workforce	No
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	No
Strategic Environmental Assessment	No
Sustainability (community, economic, environmental)	No
Legal and Governance	No
Risk	Yes
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement in terms of the following priorities:

- (a) Developing educated, responsible and informed citizens
- (b) Promoting a prosperous, inclusive and sustainable economy
- (c) Creating a safe and sustainable place for future generations

Corporate Plan

- 1.2 The proposals relate to the achievement of the Council's Corporate Plan Priorities:

- (a) Developing educated, responsible and informed citizens;
- (b) Promoting a prosperous, inclusive and sustainable economy;
- (c) Creating a safe and sustainable place for future generations.

2. Resource Implications

Financial

- 2.1 There are no direct financial implications arising from this report.

Workforce

- 2.2 There are no direct workforce implications arising from this report.

Asset Management (land, property, IT)

- 2.3 The proposals in this report should benefit asset management by local authorities sharing expensive technical equipment.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) Assessed as **not directly relevant** for the purposes of EqIA

Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.3 No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.4 There are no specific issues.

Legal and Governance

- 3.5 At this stage there are no legal/governance issues. Moving to a more formalised arrangement would require legal input and clear articulation of governance arrangements.

Risk

- 3.6 It is considered that the recommendation in this report carry less risk than the alternatives of a strategic shared service, or outsourcing the service.

4. Consultation

Internal

- 4.1 The Head of Legal Services and Head of Democratic Services have been consulted in the preparation of this report. The report was agreed by the Modernising Governance Member Officer Working Group on 4 March 2015.

External

- 4.2 The attached report has been agreed by the working group of officers from the three Councils in Tayside.

5. Communication

- 5.1 No requirements at this stage. Subject to approval of this report, the report (Appendix A) outlines the need to engage with staff and seek their support for these new arrangements.

2. BACKGROUND PAPERS

None

3. APPENDICES

Appendix A – Scoping Study Report with appendices

Appendix A

Report to Chief Executives: Angus Council, Dundee City Council and Perth and Kinross Council

Shared Service Opportunities for Trading Standards and Environmental Health in Tayside

This report provides the findings of an initial scoping exercise to investigate the potential for service improvements and efficiency savings, from operating the Environmental Health and Trading Standards functions of Angus Council, Dundee City Council and Perth and Kinross Council, as a shared service.

1 Recommendations

The Chief Executives are asked to agree with the following recommendations:

- (a) The most appropriate approach to sharing Environmental Health and Trading Standards Services is through a combined Formal Partnership and informal sharing arrangements.
- (b) The Working Group should progress with the development of sharing proposals, as detailed in section 5 of the report.
- (c) Fife Council should be invited to become a partner in the development of these sharing arrangements.

2 Background

- 2.1 The Christie Commission report, published in June 2011, stated that Scotland's public services are in need of urgent and sustained reform to meet unprecedented challenges. With public spending not expected to return to 2010 levels in real terms for 16 years, the Commission argued that unless a radical, new and collaborative culture is embraced, public services will buckle through a combination of demand pressures and budget pressures.
- 2.2 In its response to the Christie Commission, the Scottish Government stated that it would reform public services through a decisive shift towards prevention, greater integration at a local level driven by better partnership, workforce development and a sharper, more transparent focus on performance. To do this, it stated that public services must challenge themselves to work collaboratively including engaging in sharing services.

- 2.3 Successive national Government Spending Reviews have impacted on local Government with more savings targets likely in the future, therefore local authorities will have to be more efficient and effective, if services are to be maintained/improved.
- 2.4 Two recent reviews are relevant in relation to Trading Standards,– the Audit Scotland report ‘Protecting Consumers’ (January 2013) and the Improvement Service Critical Friend report on Trading Standards (May 2013). Both these reports highlighted the importance of more integrated working between national co-ordinating bodies, within national groups on specific priority areas (scams, illegal money lending, and e-crime); and also with local authority Trading Standards Services.
- 2.5 The Improvement Service report highlighted two key areas for developing shared capacity in Trading Standards:
- (a) Shared framework for recruitment, training and development of future officers, in view of the ageing profile of the workforce nationally, and the potential shortfall in qualified officers.
 - (b) Identifying other areas where shared capacity would be relevant. The Chief Executive of the Improvement Service referred to local authority Trading Standards Services using “economies of skill”, to ensure that Council Trading Standards functions have access to the appropriate expertise, at a time of reducing local authority workforces.
- 2.6 The Chief Executives of the three Councils - Angus Council, Dundee City Council, and Perth & Kinross Council considered activities where the sharing of services / collaborative working could be adopted.
- 2.7 Trading Standards (TS) and Environmental Health (EH) were two of the services selected to be subject to the potential sharing of service review. The review of these functions has been undertaken by a working group comprising representatives of the three authorities. The Membership of the group was as follows:
- Kenny Kerr, Head of Environmental Protection, Dundee City Council
 - Stewart Ball, Service Manager, Regulatory, Protective and Prevention, Angus Council
 - Keith McNamara, Head of Environmental and Consumer Services, Perth and Kinross Council

This was report was agreed by all members of the Working Group.

- 2.8 An early decision of the group was to combine the reviews into one, as the issues relevant to Trading Standards would also substantively apply to Environmental Health, whilst recognising the differing professional disciplines of these two services. Where there are specific differences in a shared approach, these are highlighted in the report.

- 2.9 The conclusions of the working group are detailed in section 5 of this report.
- 2.10 This report highlights the statutory role of EH and TS, the variances in the work actually undertaken by each of the authorities, the costs of the services, the shared services already in place between the Councils and the options available.

3 Role of Trading Standards and Environmental Health

3.1 Trading Standards

- 3.1.1 The Trading Standards Service carries out a wide range of statutory duties in the sphere of consumer protection. The legislation enforced is aimed at ensuring a fair and equitable trading environment in which responsible businesses can succeed and consumers are protected from unfair trading practices.

Services include:

- Weights and Measures
- Fair trading
- Safety of consumer products
- Consumer protection

3.2 Environmental Health

- 3.2.1 Environmental Health addresses the physical, chemical, and biological factors affecting human health, and all the related factors impacting on behaviours. It encompasses the assessment and control of those environmental factors that can potentially affect health. It is targeted towards preventing disease and creating health-supportive environments. The local authority Environmental Health Service monitors and controls these activities, predominantly through implementing national government policy and legislation in these areas.

Services include:

- Pollution control (e.g air quality, noise)
- Public health
- Communicable disease
- Food safety
- Health and safety in workplaces
- Private water supply safety
- Contaminated land
- Private Sector Housing Standards (tolerable standards, disrepair, houses in multiple occupation)
- Animal health and welfare

3.3 Current Services within the three Councils

3.3.1 This is summarised in Appendix 1a. Appendices 1b and 1c shows the SOLACE benchmarking data for Scotland and Tayside respectively.

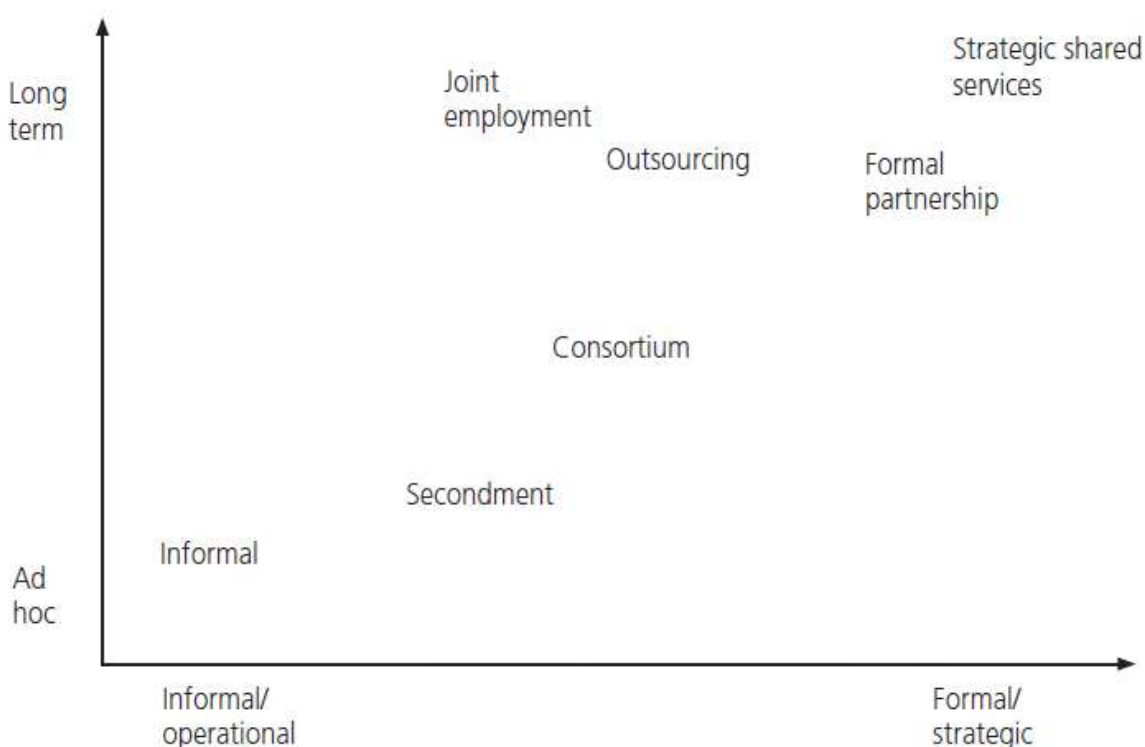
3.4 Existing Shared Service Arrangements

3.4.1 It should be acknowledged that there is a history of sharing services related to Trading Standards/Environmental Health both between the local authorities in Tayside, and beyond. Examples are included in Appendix 2.

4 **OPTIONS AVAILABLE**

4.1 The working group explored the scope around several options, which were based on the main types of partnership arrangements identified by the Chartered Institute of Public Finance and Accountancy (CIPFA), and evolved by the Chartered Institute of Environmental Health, and LACORS (Local Authority Co-ordination in Regulatory Services). The range of partnering options are depicted in Figure 1.

Figure 1



4.2 The analysis by the working group is detailed in Appendix 3. The following summarises the findings.

4.3 Strategic Shared Service Provision

4.3.1 This option represents the most integrated approach to partnership working. Under this arrangement, a joint strategic approach would be taken collectively, and at an operational level, officers would provide services to communities across the Tayside area, rather than within individual Council boundaries. The working group argued against this option, for the following reasons:

- (a) **It would not deliver any evident significant savings at an operational level.** At an operational level, TS/EH are services delivered within the community. With the geographical spread of Tayside, if the Councils moved to a strategic service model, the working group considered that there is no advantage to centralising operational functions (and thereby make savings in staff economies, or property/vehicle assets), as officers need to be in the communities - inspecting businesses and responding to resident's problems (compared to, for example, a centralised 'back office' function which could potentially be delivered from a single location). Therefore there would still need to be an area-based presence in Perth, Dundee and in Angus – thus representing little or no change to the current arrangement. The predominant expenditure in TS/EH budgets is staffing (around 80-85%).
- (b) **It is unlikely to deliver significant savings at management level** (which could not be delivered by means other than sharing services). Senior management of these functions (at Head of Service level) operate multifunctional services, not just regulatory functions. In all three Councils in Tayside, these senior managers have taken on additional service responsibilities as a result of reorganisations and rationalisation. Therefore downsizing the cohort group via shared services would leave gaps at strategic management across several functional areas. Had there been a Head of Service or senior manager in each Council, with only responsibilities for EH or TS, rationalisation of management posts by sharing services would have been a much more viable option,
- (c) **Risk** without the prospect of significant savings, it is anticipated that Councils would have less appetite for the risk associated with moving into a shared strategic service. Such a major transformational change could introduce risks to the delivery of high profile services which are an important part of public protection in local communities.
- (d) **Control.** The working group believed that a strategic shared service may not meet with Elected Member approval, as this would remove their ability to control and divert resources to local priorities in their own

Council area. The working group acknowledges that this view has not been tested with Elected Members.

- (e) The other options in this report (particularly Formal Partnership) give access to many of the benefits of closer working, without the risks/ disadvantages associated with moving to a strategic shared service.

4.3.2 No authorities in Scotland have entered into any formal shared services in respect of Environmental Health. The three Ayrshire authorities carried out a considerable amount of work in investigating whether a pan-Ayrshire Regulatory Service (Building Standards, Trading Standards and Environmental Health) could be established. In 2012 that piece of work concluded that there were no significant financial savings to be made, and the project was discontinued. Therefore, the ability or opportunity to learn from a previous exercise(s) in shared services in a Scottish context is negligible. It is noted that Stirling and Clackmannanshire have a shared service arrangement in relation to Trading Standards, however this relates to the sharing of a single officer from Clackmannanshire, so is not comparable to the scale of staff sharing considered for the Councils in Tayside.

4.3.3 Reference was made to various documents, primarily relating to English authorities and how shared services was / is being considered in respect of EH/TS. The studies indicated that shared services, whilst delivering some financial savings, was beneficial in dealing with lack of qualified staff and enhancing resilience in the various peaks and troughs. From this relatively limited research it was noted that the areas of financial savings were made by:

- (a) amalgamating support / processing teams and
- (b) introducing a single management structure across the Councils involved.

4.3.4 Because of the arguments advanced in 3.7(a) and (b), the working group considered there would be less scope for these savings in Tayside.

4.4 Formal Partnership

4.4.1 As highlighted in Appendix 2, shared working already takes place for specific activities (e.g Public Analyst Service, mutual aid for civil contingencies, shared weights and measures). The working group viewed this approach as a more appropriate way ahead for joint working.

4.4.2 The working group considered that the following areas should be explored further:

- (a) Sharing of expertise and resources in a similar manner to the Resource Sharing Group (currently operated by Perth and Kinross Council, Fife and Clackmannanshire Councils), which share contaminated land

expertise and equipment, on a barter system (see Appendix 4). This arrangement would allow the development of the 'economies of skill' approach, promoted by the Improvement Service (see section 2.5(c)).

- (b) The scientific nature of TS and EH means that officers have to occasionally use technical equipment for monitoring activities such as noise, air quality, and contaminated land. This equipment is expensive and is not always in frequent use. Pooling of resources to share the most expensive and less frequently used equipment would deliver modest cost savings. This could be achieved through the Resource Sharing Group approach (see (a) above) or another similar model. The Council's would agree which equipment they would share, and make joint decisions about procurement, storage and booking the equipment.
- (c) Management Information systems - for example, each Council uses the same system for managing its service requests, visits, sampling requirements (a system called Civica APP). It would be consistent with the aspirations of the McLelland approach to sharing IT systems, for the Councils to jointly phase their procurement, to maximise the benefit from a unified system. The cost per individual Councils for the APP system is around £30-40k per annum, so the financial savings opportunity would be moderate.
- (d) There are other opportunities to share procurement processes for supplies and service, working with Tayside Procurement Consortium and Scotland Excel.
- (e) Policy formation – each Council is required to prepare various policy/strategy documents (such as an air quality strategy, contaminated land strategy, enforcement policy) and procedural documents. Although parts of these documents would be specific to the individual geography or circumstances of individual Councils, elements of these plans are common, and could be easily shared in relation to drafting and presentation, thereby saving duplication of effort.

4.5 Outsourcing a Service

- 4.5.1 Currently outsourcing is not common amongst EH/TS Services in Scotland. As highlighted in Appendix 2 Angus and PKC already share the outsourcing of their pest control requirements. Dundee City Council provides this service in-house. The three Councils also outsource some work which is particularly technically challenging (e.g complex contaminated land investigations).
- 4.5.2 The working group was not in favour of outsourcing the entire TS/EH service for the following reasons.
 - (1) Precedent – no other Scottish Council outsources this service.

- (2) Market – although several private companies can provide individual elements of TS/EH services (e.g food safety inspectors, contaminated land specialists support), there is not a mature market in Scotland to provide a ‘one stop’ service for TS/EH. Therefore procuring for these services would be unique and untested. It also carries a significant risk of failure of service delivery.
- (3) Without a well established outsourced service delivery model there is no basis to judge that an outsourced model would deliver cost savings or quality improvements, over the existing arrangements.
- (4) Private sector provision of these services risks the introduction of service delivery based on profit, rather than the current public service ethos of staff currently employed directly by the Councils. There would also be a cost to provide a client role for this service.

4.6 Forming a Consortium

- 4.6.1 This option can be defined as “forming a co-operative arrangement amongst groups for a definitive purpose”, and therefore can be considered a less formal arrangement than the previously described Formal Partnership option. The main disadvantage is that a consortium is not a legal entity, so where defined activities are required, Formal Partnership provides a higher commitment from partners.
- 4.6.2 The working group was of the opinion that closer sharing of activities (in the manner indicated by 4.4.2 above) could be achieved by a combination of a Formal Partnership, and forming a consortium, if that was appropriate for a defined work area or specific issue.

4.7 Joint Employment /Secondments

- 4.7.1 In this arrangement, employees or consultants are jointly employed and work for more than one Council.
- 4.7.2 This arrangement has been used previously, for example in the area of Animal Health, where officers of Perth and Kinross were employed temporarily to provide services to Angus Council and Fife Council, on a fixed hours per week basis.
- 4.7.3 The working group took the view that there was no merit in moving to a wholesale Joint Employment Model (as that would effectively be a strategic shared service), however Councils should be open to the possibility of joint employment, in sharing capacity around highly specialist staff such as Contaminated Land, Private Water Supplies, and Animal Health, particularly if a Council is struggling to maintain professional expertise in an activity, which another Council has a larger staff capacity and expertise.
- 4.7.4 The working group also believed that this also applies to the secondment option, which could also be used flexibly to cover for temporary capacity

issues in a neighbouring Council, or in an emergency situation, where a Council experiences a significant short term increase in workload. As mentioned in section 2.5, securing sufficient qualified staff is a challenge. There are opportunities to jointly explore the training and development of staff as part of the services' workload planning arrangements.

5. NEXT STEPS

- 5.1 Although a strategic shared service was not considered appropriate by the working group, it was acknowledged that there are opportunities to build on existing sharing services, through formal and informal partnership agreements.
- 5.2 The main driver for this approach is not necessarily cost savings. The working group considered that there is not a transformational way to deliver step change cost reductions in EH/TS services. Although there is scope for cost savings by working more collaboratively (such as pooling equipment and procurement), these are not significant, in relative terms.
- 5.3 The main benefits for greater sharing between Councils is public protection through ensuring:
 - 'economies of skill' – ensuring that Councils have the appropriate breadth of technically competent and qualified staff across all the relevant professional disciplines, available at the right time.
 - Ensuring Councils have the shared resilience to deal with the peaks of demand associated with significant pressures on capacity (e.g. major incidents), with mutual support from each other.
 - Ensuring the most efficient delivery of services
- 5.4 To achieve these objectives, the following actions are recommended:
 - (a) The three Councils should use opportunities to work collaboratively with other Councils. In particular, the working group viewed Fife Council as a potential key partner:
 - It shares boundaries with all Tayside Councils
 - As the third largest Council in Scotland, it offers substantial opportunities to share skills and resilience.
 - It has demonstrated its willingness to be a partner in shared regulatory services activities – as part of the Resources Sharing Group, but also senior staff have expressed a desire to work closely with the Councils in Tayside regarding the shared services agenda for EH and TS.

- (b) Although this report shows several areas of shared working, extending this has not yet been addressed in a particularly rigorous or systematic manner. Although senior managers from the three Councils meet regularly, these meetings have been subject specific, and to date have not featured shared services as a priority issue. It is therefore recommended that the working group continues, and develops a more systematic implementation plan to drive forward shared service opportunities, to meet the objectives detailed in section 5.3.
- (c) A key part of this future activity will be to challenge cultural attitudes to sharing services. Working together across Councils is natural to some officers, but not to all, and it will be important to embrace colleagues from across the Services to develop a common approach. Therefore the working group should develop a programme of engagements with staff, to ensure they support this shared service agenda.
- (d) The working group should also proactively address organisational/bureaucratical challenges to shared working. For example, if there are human resource challenges to secondments or shared posts, these should be addressed early in the process, to allow the easier sharing of staff resources when required – particularly as such transfers may be required during emergency situations, when there is less time to work through organisational processes.
- (e) To secure effective governance, as well as ensure the momentum is maintained on this activity, it is recommended that the working group report to their Chief Executives (or other nominated governance process) on an annual basis.

6. CONCLUSION

- 6.1 Environmental Health and Trading Standards are services which are delivered within communities, to protect the public. Although strategic merger of these services across Tayside would not, in itself, provide a significant saving, there are several opportunities for closer working between the Services of each Council, to improve capacity, resilience and efficiencies. It is recommended that these should be explored.

Keith McNamara

Head of Environmental and Consumer Services

Chair of Environmental Health and Trading Standards Working Group

October 2014

Background Statistical Information 2013/2014

Authority	Geographical Area Square Miles	Population (2011 Census)	No of Staff FTE (Trading Standards)		No of Staff FTE (Environmental Health)		Net Revenue Budget
			TSOs	Other	EHOs	Other	
Angus Council	842 (2182 Km ²)	116,000	5.4	5	16.55	8.5	£1.892m
Dundee City Council	24 (65 Km ²)	145,000	2 STSOs 1 TSO	1 TS Manager 4.5 Fair Trading Officers 0.4 Petroleum Officer	15 EHOs	3 EH Managers 2 Technical Assistants 3 Food Safety Officers 1 Snr Env Services Officer 4 Env Services Officers 1 Compliance Officer 4 Env Enforcement Officers 1 Snr NTNT Officer 4 NTNT Officers 2 Licensing Standards Officers	£2.6m (net of income)
Perth & Kinross	2040 (5286 Km ²)	149,000	4 Trading Standards Officers	1 Principal Trading Standards Officer 0.6 FTE Trading Standards Technician 4 Animal Welfare Officers	5.6 FTE Environmental Health Officers	1 x Regulatory Services Manager 3 x Principal Officers 5 Environmental Health Technical Officers 1 x Feedingstuffs Technical Officer 1 x Water Technician 2 x Contaminated Land Technical Officers 3.3 FTE Food Safety Officers (1.5 FTE Water Technicians – Temporary – SG Funding)	£2.1m

Key:

TSO – Trading Standards Officer

EHO – Environmental Health Officer

Other – includes Technical Officer, Technician and specialist posts

Appendix 2

Examples of Shared Services amongst Tayside Environmental Health and Trading Standards Functions in Tayside

- (a) The Public Analyst service, delivered by Tayside Scientific Services in Dundee is operated via a joint formal agreement between the three Councils. The service is also used by Fife Council. The service provides chemical, microbiological analytical testing for a wide range of samples such as food, water asbestos and consumer products.
- (b) A weighbridge test vehicle and driver (used to assess the compliance of commercial and publicly available weighbridges under Weights and Measures legislation) is shared between 14 Scottish Councils including, Angus, Dundee City and Perth and Kinross.
- (c) The three Councils in Tayside also share a weights and measures laboratory, to ensure the verification of the weights and measures being used by Trading Standards Officers, in assessing business compliance.
- (d) Through the joint working of the Tayside Strategic Co-ordinating Group (now known as the Local Resilience Partnership), the three Councils share their resilience activities, both in preparation, but also in practice (for example during the swine flu scare in 2005). A Sub Group which deals with emergency planning and Environmental Health related issues involving the three Councils is chaired by an officer from Dundee City Council. All three Councils are signatories to a mutual aid protocol, where cross boundary assistance will be provided in support of a major civil contingencies incident.
- (e) Angus Council and Perth and Kinross Council (along with Tayside Contracts and NHS Tayside) shared procurement for pest contract services, with contract management/monitoring carried out by PKC on behalf of the partners.
- (f) The three Councils work with Tayside Health Board to prepare and Implement a Joint Health Protection Plan. The Councils also work closely together to monitor infection issues via the Gastro Intestinal Liaison Group.
- (g) The Council's participate in joint liaison groups to co-ordinate joint working. These include the East of Scotland Food Safety Group, and the Health and Safety Co-ordinating Group and the Scottish Food Enforcement Liaison Committee.
- (h) There are also more ad hoc sharing arrangements. For example when officers of Angus Council were called upon to investigate a significant outbreak of Legionnaires Disease, they were assisted by Perth and Kinross Council officers, who had investigated a similar incident previously, and were able to share their knowledge and experience.

- (i) An agreement is in place between Dundee and Angus whereby Dundee provide Dog Warden cover to Angus Council during periods of staff holidays and sickness. This arrangement has been in place since October 2010, and works on the basis of a standing charge for holiday cover plus an agreed daily rate for sickness cover. All appropriate staff employed by Dundee are fully authorised by Angus Council to carry out the full range of Dog Warden duties including the serving of notices and fixed penalties when required. The agreement is reviewed on an annual basis.

Shared Services Options

Strategic shared service provision

The most integrated approach to partnership working is that of providing shared services across more than one council. Under this type of arrangement a strategic approach is taken when making decisions, and at an operational level officers provide services to residents across two or more council geographic areas.

The characteristics of a strategic service delivery partnership are as follows:

- demonstrates alignment of goals between partners;
- emphasises the importance of relationships;
- involves the delivery of services by one body on behalf of another or through joint working;
- aspires to deliver more value than a traditional contract;
- incorporates sharing of risk and reward;
- expects a change in behaviours from partners;
- intends to be flexible and is able to change in scope and nature over its lifetime;
- demonstrates trust and good communication;
- focuses on outcomes rather than outputs;
- demonstrates joint working (planning, monitoring, problem-solving and decision making through a joint strategic board) and sharing of ideas and resources;
- is based on openness and honesty (e.g. open-book accounting);
- supports continuous improvement in service delivery over its lifetime and captures corporate learning;
- provides mutual benefit to all partners.

Strengths:

- Cost savings through efficiencies
- Consistency of service across more than one council area

Weaknesses:

- Potential dip in employee performance (due to redundancies, uncertainty etc)
- Inefficiencies in delivering some aspects of the job.
- Elected members could have concerns about lack of local accountability
- Loss of interaction with other local authority services

Works well when:

- Similar demographics and issues exist in the councils' areas
- Partners share objectives
- There is a history of working well together
- Councils are under the same political control

- Support services are also shared

Formal partnership

For a variety of reasons, councils may be reluctant to enter into an agreement where services are completely integrated and shared, as above. They may however still wish to realise the benefits of working effectively with other councils and may seek an alternative partnership structure to allow them to achieve their goals. This type of partnership might involve councils dedicating time and resources to working collectively, with the flexibility to engage on certain projects or work areas, whilst retaining a higher degree of independence.

Strengths:

- Allows pooling of resources (both financial and expertise)
- Consistency of service provision/enforcement

Weaknesses:

- Slow decision making if not managed properly

Works well when:

- Partners want to work together formally, but also retain independence and flexibility
- Partners have a history of working together effectively
- Support services are also shared

Outsourcing a service

Outsourcing is the practice of giving responsibility to deliver a service to another external organisation. This could include the private sector, but given the nature of this guidance, the focus here is on outsourcing from one council to another.

Outsourcing is not strictly 'partnership' working, given that one council is working on behalf of another, as opposed to sharing resources and working jointly towards a shared objective. However, it is a way that councils may cooperate to address the pressures outlined in the introduction and therefore warrants consideration in this paper.

Strengths (for council outsourcing):

- Use of expertise/specialist skills when they are scarce
- Where a small amount of activity exists in your area, service improvement through a larger/more experienced team in another council (rather than a part of one full time equivalent)

Strengths (for council taking on service provision):

- More experience for your officers
- Potentially broader experience
- Better use of capacity/increased productivity
- Financial benefits that can be used to support your own service

Weaknesses (for council outsourcing):

- Possible loss of control
- Loss of experience/knowledge

Weaknesses (for council taking on service provision):

- Service in own area could decline if taking on too much work for existing workforce

Works well when:

- A council does not have a 'critical mass' of activity to support a full time equivalent, and a neighbouring council has a significant amount of activity in their area and consequent expertise
- Supported by a Service Level Agreement or similar

Forming a consortium

A consortium can be defined as cooperative arrangement among groups or institutions for a definite purpose.

Strengths:

- Stronger bargaining position, e.g. when procuring consultancy services
- Facilitation of information sharing

Weaknesses:

- A consortium is often not a legal entity, and therefore cannot procure services or hold finances itself – this must be done through one of the participating councils (lead council)
- Could lack focus if not well organised

Works well when:

- Working on a defined work area or specific issue
- A group of councils require procurement of consultancy services (especially where the consultant works within the councils to transfer skills to officers)
- All parties accept that it might not be equal 'give and take'

Joint employment

This is an arrangement whereby officers or consultants are jointly employed to carry out work for more than one council. This might be as part of an existing partnership, or an independent arrangement.

Strengths:

- Cost savings
- Consistency of service across council areas

Secondments

A secondment can be defined as the detachment of a person from their regular organisation for temporary assignment elsewhere, or put more simply, where officers are 'borrowed' from one council by another. Situations may exist whereby councils may find it appropriate and beneficial to utilise this type of temporary arrangement. This is most likely to occur in emergency situations where authorities may temporarily have an enormous increase in their workload for a short period of time, for example, increase of staff absence.

Strengths:

- Ability to gain staff/expertise on a temporary basis

Weaknesses:

- Differing terms and conditions of staff from other councils can cause difficulties
- It may be necessary to provide an incentive for officers to undertake secondment

Works best when:

- A council requires extra staffing for a specific purpose or defined amount of time
- Managed by a formal agreement that sets out working conditions etc

Informal

Some situations may be best served by a purely informal ad hoc arrangement, without any formal written agreements or contracts.

Strengths:

- Flexibility

Weaknesses:

- Absence of a formal agreement could lead to lack of direction for the arrangement and confusion over objectives, governance, and resources

Works best when:

Used for liaison/information sharing, rather than a specific project

The Contaminated Land Resource Sharing Group

Summary

In 2011, three Local Authorities (LAs) – Clackmannanshire, Fife and Perth and Kinross joined together in order to pilot a new approach – a Resource Sharing Group (RSG). The purpose of the RSG is to enable equipment and expertise to be shared between its members in order to promote the effective planning and delivery of site investigation works. The group is set up so that no money changes hands but is instead operated using an old fashioned barter system. Everything which is shared has a unit value, and all exchanges are recorded. Through the RSG the contaminated land team is able to carry out intrusive investigations using the 'in house' expertise, independent of external consultants, potentially offering savings of up to 70% per site. On average this equates to the funding previously required for one investigation now being sufficient to complete three investigations.

Background

Through discussion it was recognised that the bulk of the contaminated land budget was spent on consultancies, laboratories and contractors, and that an estimated 70-80% of all investigation costs are consultant fees and lab costs. One of the advantages which consultants often have is a large pool of expertise to draw from – something not always available to LA's. The eight individuals who make up the contaminated land teams at the three councils all have their own areas of skill and expertise built up through a combined experience of over 80 years. A skills gap analysis identified areas where skills or expertise were lacking within each of the councils. It was found that, in many instances, these 'gaps' could be filled by someone from one of the other councils. In addition an inventory revealed a considerable range of investigation equipment across the authorities, such as gas monitoring equipment and an instrument for analysing metals (XRF), which was often unused for a large portion of the year.

It was agreed between the Contaminated Land Officers that the best way forward was to develop a sharing system by which each of the LAs could access the expertise and equipment of the others. It is the group's intention that the Councils would be able to carry out their important work, at much reduced cost, through closer working relationship between authorities. Carrying out contaminated land work through the RSG can provide many advantages to the LAs involved, principally:

- increasing the number of sites which can be investigated with the money available, on average the funding previously required for one investigation is now sufficient to complete three investigations
- upskilling officers, through both knowledge sharing and cascade of training
- provision of an independent inter-authority audit for reports thereby helping to ensure data quality objectives are met

Method

No money changes hands but instead the group is operated using an old fashioned barter system. Each of the RSG members has prepared a document which details

their particular areas of expertise and the equipment they have available. Each piece of equipment has a unit value (e.g. gas monitoring equipment = 2.5 units/wk) and each officers time is valued at 1 unit/hr. Together the resource available from all members creates a bank of experience, skills and equipment which can be drawn on. By drawing on this combined resource each LA is able to significantly reduce the cost of carrying out a site investigation by saving on the time and finances required for hiring, contracting and supervising consultants and interpreting their results and reports.

A typical example of how the system works is a site which was being investigated by PKC, whose contaminated land team has two members. PKC were able to borrow drilling equipment, a site investigation kit (containing miscellaneous items used on site) and 2 officers from the two partner councils, thereby allowing the work to be completed at a fraction of the commercial price. Added advantages include an increased confidence in the results and the ability to rapidly mobilise to site.

Results

All members of the RSG have seen an increase in output in terms of the number of sites they are able to investigate, and all have a continuing commitment to this method of joint working. To date twenty site investigations have been carried out by the three local authorities since spring 2011. These sites have been of varying size and complexity but the total investigation and analysis costs would likely have run to over £200,000 if the work was contracted to private consultants - a figure which has been reduced by approximately 70% through the RSG.

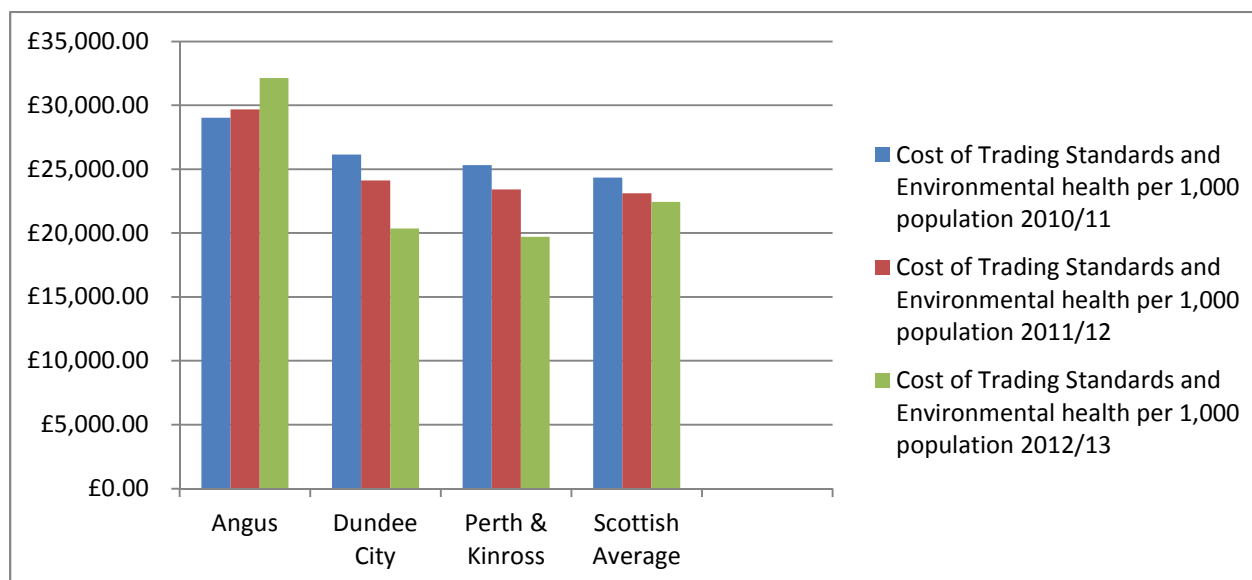
This initiative won silver at the 2014 CoSLA Awards.

Appendix 5

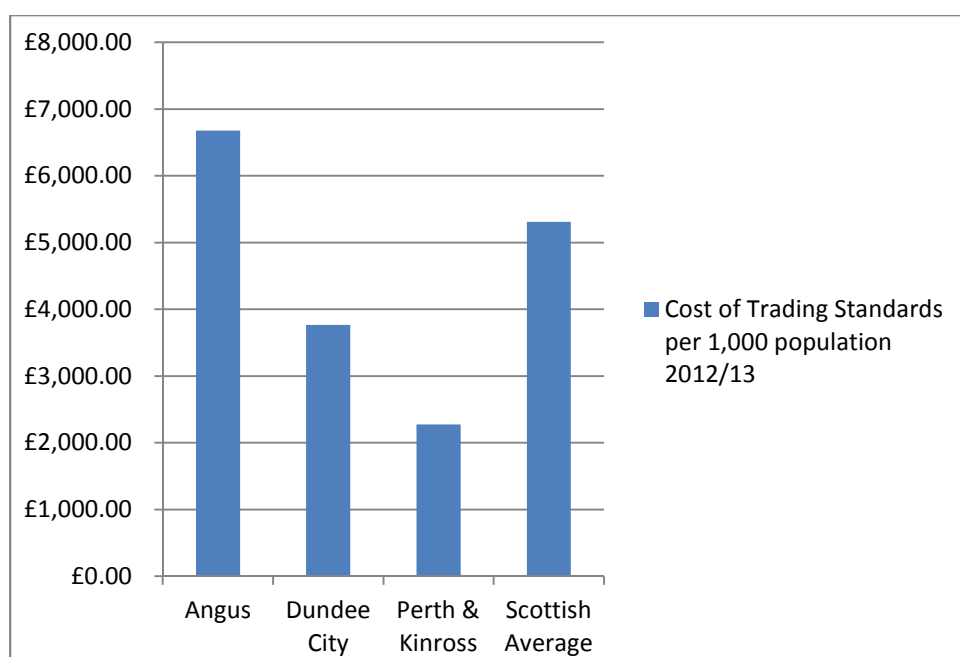
Reference Documents

- Commission on the Future Delivery of Public Services. Christie Commission June 2011
- Collaborative Council's Guidance on Partnership's Working in Regulatory Services. LACORS (Chartered Institute of Environmental Health)
- A Guide for Councils Shared Services and Management. Local Government Group. March 2011
- Public Report. Shared Services – Pan Ayrshire Regulatory Services. North Ayrshire Council 19 June 2012
- Protecting Consumers – Audit Scotland. January 2013
- Critical Friend Report on Trading Standards in Scotland. Improvement Service. May 2013

Cost of Trading Standards and Environmental health per 1,000 population			
	2010/11	2011/12	2012/13
Angus	£29,031.38	£29,684.53	£32,131.49
Dundee City	£26,141.80	£24,105.24	£20,351.83
Perth & Kinross	£25,314.66	£23,401.55	£19,717.07
Scottish Average	£24,335.41	£23,116.58	£22,440.53



Cost of Trading Standards per 1,000 population	
	2012/13
Angus	£6,677.57
Dundee City	£3,768.21
Perth & Kinross	£2,274.27
Scotland Average	£5,309.96



Cost of Environmental Health per 1,000 population	
	2012/13
Angus	£25,453.92
Dundee City	£16,583.22
Perth & Kinross	£17,442.80
Scottish Average	£17,130.57

