



CABINET

3RD APRIL 2014

AGENDA ITEM (9)

FUTURE DELIVERY OF PUBLIC PROTECTION SERVICES

Accountable Member	Councillor Mrs. CH Topple Cabinet Member for Communities and Health
Accountable Officer	Kate Bishop Head of Public Protection 01285 623000 kate.bishop@cotswold.gov.uk

Purpose of Report	To consider the potential options for the future delivery of public protection services in West Oxfordshire, Cotswold and Forest of Dean Districts, and Cheltenham Borough.
Recommendation(s)	That an assessment and business case is commissioned, outlining the financial and qualitative benefits of a shared public protection service, by the current GO partner authorities, to be presented for consideration during the next six months.
Reason(s) for Recommendation(s)	The reason for the report and the recommendation to commission an assessment and business case is to ensure each of the GO Partner Authorities provides efficient, value for money services and is able to meet their statutory responsibilities.

Ward(s) Affected	All
Key Decision	No
Recommendation to Council	No

Financial Implications	<p>The report outlines two financial models that indicate that savings of 20% (which have been achieved by GO partners shared services and the Worcestershire Shared Regulatory Services Partnership) could be achieved equating to over £1m per annum and this supports the recommendation to carry out a more detailed assessment and business case for a shared public protection service.</p> <p>The report also states that the cost of setting up a shared service in other areas has been between £1m and £1.5m. Based on this figure and a 22% saving (mid-range), this suggests the payback period would be less than 2 years.</p>
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	<p>More detailed financial analysis would be completed as part of the assessment and business case to determine the exact level of savings to each partner authority and the time profile when these savings would be achieved.</p> <p>The Council's contribution towards the cost of developing the business case and an implementation programme is estimated at £9,000 and can be met from existing revenue budgets.</p>
Legal and Human Rights Implications	Any joint service provision would need to be subject to relevant agreements and legal documents.
Environmental and Sustainability Implications	The level of service provision under any joint arrangement may give rise to environmental implications. However, at this stage this cannot be confirmed.
Human Resource Implications	There is a potential for human resource implications arising out of any joint service provision.
Key Risks	<p>The most significant risk to each of the councils' is their ability to deliver their statutory functions when local authorities are being required to provide 'more' or 'the same' level of services for less. The creation of a shared service will provide a more efficient and resilient model that will reduce this risk.</p> <p>Clearly there are risks with any change and transformation programme. A risk assessment will be conducted as part of the proposed assessment and business case.</p>
Equalities Analysis	No effect on protected groups identified.

Related Decisions	None
Background Documents	A Strategic Vision for Shared Public Protection Services
Appendices	None

Performance Management Follow Up	To implement the Cabinet's decisions
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Options for Joint Working	The strategic vision sets out the potential for further shared working to enhance current joint arrangements
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<p>Background Information</p> <p>1. During the last four years, the public sector has faced the most challenging financial climate in history. The Local Government Association (LGA) believes this is likely to continue after the General Election in 2015, with Councils potentially facing further cuts in their Government grants, on top of the reduction received in the current spending review. The pressure to provide 'more' or 'the same' level of services for less is considerable. More and more local authorities are sharing services to improve efficiency and effectiveness and to save money.</p>
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2. The LGA estimates that 220 Councils have been involved in shared services. Local authorities have focused on sharing back office functions like Finance, Legal and Human Resources, although there are an increasing number of examples of shared operational and frontline services including public protection.
3. Locally each of the GO partner authorities has entered into a number of shared services including Finance, Human Resources, Information Technology, Audit, and the creation of Ubico Ltd., a local authority owned environmental services company.
4. Traditionally public protection services, which include the functions such as environmental health & licensing, have been delivered by in-house teams. There are now an increasing number of local authorities that are delivering public protection functions in partnership with other Councils.
5. Public protection services contain a range of technical and operational functions although they are delivered in broadly the same manner by local authorities across the country. Local authorities with public protection regulatory responsibilities are required to deliver services in accordance with legislation, prescriptive regulations and national guidance; this provides opportunities for staff and managers to be shared and deliver services for a number of authorities, creating a shared service model.
6. The initial financial assessment of public protection services for the current GO local authorities has identified a number of areas that could provide opportunities to deliver efficiencies and need to be explored in more detail as part of the proposed assessment and business case and are outlined in the report.
7. As part of the initial assessment, each local authority was asked to supply public protection data to determine the level of service demand. Because of the diverse and complex nature of public protection services, the initial service assessment has focused on the functions that require the greatest level of staff resources and this information is outlined in the report. The data collection has identified a number of areas that could provide opportunities to deliver more effective services. These are outlined in the report and need to be analysed as part of the assessment and business case proposal.
8. The data has provided a significant level of information about demand for public protection services. Strategically, the data is indicating the demand profile across all the current GO Local Authorities is similar in a significant number of areas.
9. Strategically each of the current GO local authorities has adopted a Council Plan and priorities. A shared service model will need to ensure that each partner authority meets its statutory public protection responsibilities as well as locally agreed outcomes. As part of the proposed assessment, each partner authority will be asked to identify the key public protection outcomes and these will be factored into the business case.
10. Further work will need to be completed with each authority to confirm which functions are in-scope and those that are not. This further assessment would need to provide options about how these functions could be delivered in the future.
11. The Strategic Vision for Shared Public Protection Services outlines a proposal and vision to create a shared public protection service and integrated support function which has the resilience, shared expertise and some economy of scale to provide a broader and more effective service whilst maintaining local responsiveness, accountability and decision making.
12. A new shared service would utilise a common ICT system (each current GO authority currently has the Idox Uniform system) linking directly with existing Customer Services' CRMs and the Councils' Web Sites, enabling improved access to regulatory services for business, residents, and other customers.

13. It is expected that operational functions would have geographical areas of responsibility, occupying existing accommodation with the potential for appropriate staff to be increasingly peripatetic and home-based over time. Each local authority area would have an accurate demand profile to determine the level of risk and resources to meet the locally agreed outcomes.

14. The key drivers and benefits that would need to be fully developed as part of the proposed assessment and business case are expected to be:

- Improved delivery to Customers e.g. reducing the burden on business by simplifying processes and improving access;
- Resilience, for example, Improved capacity - through sharing of resources and ability to broaden knowledge
- Cost reduction through efficiencies, for example eliminate duplication, overlap and redundancy in processes and working;
- Economies of scale for example, reduced management/support/staffing costs and overheads, potential for rationalisation/re-use of estate over time;
- Savings direct cost saving through improved efficiency and reduction in staffing numbers for all Councils in the short and medium term;
- More consistent approach in service delivery for example, policy alignment - common policy framework will be developed with flexibility to meet local needs, improvement in compliance and uniform process for "routine" regulatory work;
- Standardised performance, quality, policy and processes for example, reduction in incidents of failure through efficiency, standardisation of charges and fees and consistent approach to clients whilst maintaining local flexibility;
- Business transformation for example, shared resources - people, processes and systems, as well as making staff resources more visible locally.

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