

Cabinet

Report Title:	A Joint Suffolk & Norfolk Trading Standards service
Meeting Date:	22 March 2016
Lead Councillor(s):	Councillor Sarah Stamp, Cabinet Member for Communities
Local Councillor(s):	All Councillors
Director:	Tessa Lindfield, Director of Public Health and Protection
Assistant Director or Head of Service:	Steve Greenfield, County Trading Standards Officer
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Brief summary of report

1. Following preliminary research, the Heads of the Suffolk and Norfolk Trading Standards Services strongly believe that the establishment of a joint service between the two authorities will increase resilience, better enabling them to deliver protective services to vulnerable individuals and communities and to support economic growth across both counties.
2. Establishment of a joint service accords with the commitment of both authorities to work more closely together, the devolution bid and the recent Local Government Association (LGA) review into Trading Standards, which concluded that services managed at scale offer the most sustainable future for local trading standards services.
3. It is proposed that, if the Cabinet agrees that the potential benefits of a joint Suffolk and Norfolk Trading Standards Service outweigh the potential risks, a full business case is developed over the next six months for the establishment of a joint service between Suffolk and Norfolk Trading Standards.

What is Cabinet being asked to decide?

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| <p>The Cabinet is asked to agree to:</p> <ol style="list-style-type: none"> 4. The development of a full business case for a joint service between Suffolk Trading Standards and Norfolk Trading Standards. 5. The establishment of a joint Suffolk and Norfolk project board and project team to develop the business case. 6. The presentation of the full business case to the Cabinet at the meeting in October 2016, and, 7. The proposed timetable would be that, subject to approval of the subsequent business case by the Cabinet, the joint service would seek to be implemented with effect from April 2017. |
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Reason for recommendations

8. The management team of the Trading Standards Service strongly believes that this is the right time to be developing a plan to join up Suffolk and Norfolk Trading Standards Services. Both services have had financial savings to make, and any further reductions could have a significant impact on service delivery. This view accords with the findings of the recent Local Government Association review of Trading Standards which concluded that services managed at scale offer the most sustainable future for local Trading Standards services.
9. Both counties enjoy a similar demography, geography and demand profile with the 'criminal markets' being very similar and/or shared; both services enforce the 'full range' of Trading Standards duties with intelligence leading to the targeting of similar enforcement priorities; both acknowledge the importance of the food and farming communities to the economic prosperity of their areas by giving priority to minimising the spread of animal diseases, to animal welfare, and to monitoring the quality of animal feed & fertilisers and food standards throughout the whole supply chain.
10. Both local authorities have already committed to closer working and are supportive of local devolution; both enjoy a close and fruitful relationship with Suffolk & Norfolk Police; and both acknowledge the need to work more closely with the New Anglia Local Enterprise Partnership (NALEP).
11. Discussions and negotiations have been taking place between Norfolk and Suffolk and Central Government, latterly including Cambridgeshire and Peterborough, on a Devolution Deal for 'The East'. The Deal looks to include additional funding and powers for a new combined Authority and this model, and Geography would support Joint working in Trading Standards.
12. Both services acknowledge the necessity of maximising their budget effectiveness in order to be able to deliver credible protective services over the coming years. A shared delivery model should enable both services to be more resilient, and to protect the services they can deliver.
13. Work carried out by the two services has identified the following potential benefits and arguments against a joint service:
14. Potential benefits
 - a. A joint service would enable greater effectiveness, flexibility and resilience, for example when tackling an animal disease outbreak or cross-border criminal activities.
 - b. Sharing of support & management resources and costs could lead to further efficiencies and reduced duplication of attendance at regional and national forums.
 - c. Press & media (including social media and campaigns) could be jointly developed and 'badged' for greater efficiency, exposure and profile.
 - d. Operational activities across the full breadth of the Trading Standards remit could be jointly developed and deployed, again increasing efficiency, exposure and profile. Examples include food sampling, illicit tobacco enforcement and test purchasing of age restricted products.

- e. Intelligence, financial investigation and legal process functions could be combined to increase effectiveness and resilience.
 - f. Joint commissioning of training & development, operational equipment and technical resources could lead to decreased costs.
 - g. Best practice would be joint and implemented across the new service, with the opportunity created to critically appraise and improve existing work systems.
15. Arguments against a joint service:
- a. Future imbalance in proposed funding from the respective local authorities.
 - b. Divergence in corporate or political priorities between the two local authorities.
 - c. Staff dissatisfaction with new working arrangements leading to low morale, higher turnover and loss of talent.
 - d. Disagreement over resource provision, especially in situations where only one county is impacted.
 - e. Diluted political influence in decision-making in each county.

What are the key issues to consider?

- 16. A full Equalities Impact Assessment for the proposed joint service will take place between now and October 2016 and will be included in the report to the Cabinet.
- 17. At this stage the key issues to consider are set out as risks in the next section.

What are the resource and risk implications?

- 18. It is not anticipated that the development phase over the next six months will have significant financial or other resource implications, other than in Trading Standards officer time being partly diverted to the project. This will be managed in the context of service delivery requirements and will seek to minimise any impact on services to the public and businesses.
- 19. It is imperative that clear arrangements around political governance across both authorities is established, developed and agreed as a priority. This will be explored fully within the business case.
- 20. Early on in the business case planning process, a host authority for the partnership will be identified. It will be the host's role to employ and provide all support to the new joint service; the detail and costs associated with hosting will be fully addressed in the business case.
- 21. Initial discussions favour Suffolk County Council as the host authority.
- 22. The development of a full business case will require the establishment of a joint Suffolk and Norfolk Trading Standards project board and project team.
- 23. The project team will need support from finance, legal, IT, communications and democratic services colleagues to address funding, legal agreements/delegations, public and business consultation, and political governance.

24. A Human Resources lead from each local authority will need to be appointed to ensure that staff interests, engagement and consultation, as well as employment law provisions, are fully addressed.
25. The management teams of both Trading Standards Services are committed to fully engaging our staff in the process. Staff from both councils will have the opportunity to become actively involved in working groups established with effect from April 2016 in developing specific strands of the project.
26. As part of the project management approach, risks will be identified, analysed, actively monitored and addressed. At this early stage, the following risks have been identified and will be included and controlled within the project risk register:
 - a. One of the partners withdrawing from the project, resulting in the joint service not being implemented and developing relationships being severed. Triggers for this may include failure to align service priorities or ways of working, legal or contractual complications, or disagreement over resource provision.
 - b. Differences in staff terms, conditions and benefits and a failure to engage effectively with staff resulting in resistance to change.
 - c. Incompatibilities of IT systems (or other technical aspects) resulting in project slippage, inefficient solutions or investment being required for additional systems/technical support.
 - d. Implementation and/or support costs and liabilities could be shouldered by the host authority.

What are the timescales associated with this decision?

27. The two Trading Standards Services are seeking approval from their respective councils to develop joint working from 1 April 2016 with a view to a full joint service. A full report and business case will then be brought to the Cabinet in October 2016.
28. Political approval in both councils in autumn 2016 would trigger consultation with staff regarding TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006) in November/December 2016 and the need to have legal agreements in place for the new joint service in February 2017.
29. Full consideration will be given to the requirement of consultation of SCC Trading Standards staff and the public as part of the business case process.

Alternative options

30. Trading Standards to remain a single service within Suffolk County Council. .
In light of the significant budget reductions to date, both the management teams of Suffolk and Norfolk Trading Standards Services feel at a 'tipping point' in that, in their view, further staffing cuts would see their staff bases fall below the minimum complement required for an effective level of service to be delivered to their Authorities.
 - a. As a result of these nationwide cuts, in January 2016 the Local Government Association published its 'Trading Standards Review', a short and high level review conducted in the latter part of 2015 into the future of trading standards services. Available here ([LGA website](#)).

- b. It concluded that services managed at scale offer the most sustainable future for local Trading Standards services. It identified that *“larger services are considerably better placed looking ahead to the future, having the resources to be active in a wider range of specialisms than their smaller counterparts, leaving them better placed to manage not only a range of local priorities, but also competing local and national priorities. Larger services will have the capacity to be more flexible and responsive to emerging issues, redeploying resources more easily as required. Additionally, larger services will also have the capacity to support key areas of expertise – such as the use of intelligence, new commercial services, and financial investigators who can help secure funds through the Proceeds of Crime Act – that can ensure existing resources are targeted appropriately, as well as helping to generate additional income.”*
- c. The review went on to say that *“in order to ensure the future sustainability of trading standards work, councils should explore the options for sharing their services to create larger units. There is no one size fits all model for different councils, but having fewer, larger trading standards services, which serve more than one council but sit fully within local government structures, is likely to help ensure greater long term resilience of trading standards expertise.”*
- d. The review also urged councils looking at creating larger trading standards services to learn from areas that have successfully introduced new structures (such as West Yorkshire, Devon & Somerset, and Surrey & Buckinghamshire) – in particular, how they have successfully balanced the benefits of larger services whilst retaining local accountability and prioritisation. Indeed, senior managers from Suffolk and Norfolk recently visited Buckinghamshire County Council for this very purpose and will seek their ongoing advice should the Cabinet agree to support this report’s recommendations.
31. Create a joint with a Trading Standards Service other than Norfolk. This, however, would not enable the benefits of the unique synergies of our two counties to be realised (as described in paragraphs 9 and 10 above).
32. Join in a shared Regulatory Service with District/Borough Council Environmental Health, Licensing and Planning Departments. This has previously been attempted in Worcestershire but its success has been limited and their Trading Standards Service has recently been returned to the auspices of the County Council. In Suffolk, the other regulatory services are not consistently organised within their respective district councils and it is considered that any unification of these services would be an extremely difficult and lengthy process. Such unification would be a pre-requisite to Trading Standards joining such a service in any case. Moreover, the work of District Council regulatory services tends to be focused on local, inspection-based approach to particular premises; this contrasts with Trading Standards activities, which are now more intelligence-led and focused on the operating models of businesses and the detriment caused to customers and competitors, including organised criminal networks which operate at regional and national level.

33. The divestment of Trading Standards from the Council and subsequent re-commissioning from the market is not considered to be an option. Such services are not available, primarily due to the necessity for enforcement officers to be directly employed by the council and, moreover, the regulation of businesses (including criminal investigations, enforcement action and the prosecution of offenders) in order to maintain a fair, safe and equitable trading environment is a key role of local government in a mixed economy. There is also an absolute necessity for business and public confidence to be maintained, and that this is best served by a Local Authority service.

Who will be affected by this decision?

34. It is anticipated that neither the development of the full business case nor the creation of a joint service will have a negative impact on the public facing service, on Suffolk and Norfolk residents (including those with protected characteristics), businesses, partner agencies or other stakeholders. An Equality Impact Assessment will be conducted and included in the report to the Cabinet in October 2016.
35. Existing staff will be affected to varying degrees by any future decision to move to a full joint service. Implementation may include TUPE transfer of staff from one authority to the other; changes arising from convergence of terms, conditions and benefits; development of a common career progression scheme; some recasting of individual roles and responsibilities to reflect the new joint service management and delivery needs; and changes in processes and systems, requiring training and operational adjustments.
36. However a future joint service should bring positive benefits for staff as a result of greater opportunities within a larger, more resilient and prestigious service.

No other information is submitted for inclusion at this stage of the process.

Sources of further information

37. The Local Government Association (LGA) summary report of their review of trading standards is published on the [LGA website](#).
38. No other documents have been relied on to a material extent in preparing this report