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02 November 2011

To: All Members of the Cabinet  
CEMB

Dear Member,

Cabinet - Tuesday, 8th November, 2011

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

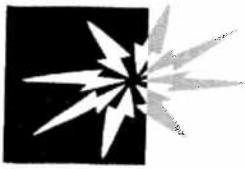
**8. SHARED REGULATORY SERVICES BETWEEN THE LONDON BOROUGH OF WALTHAM FOREST AND THE LONDON BOROUGH OF HARINGEY (PAGES 1 - 10)**

(Report of the Chief Executive – To be introduced by the Cabinet Member for Finance and Carbon Reduction). The report seeks an in principle decision, subject to consultation, to enter into Phase 1 of a shared service with the London Borough of Waltham Forest.

Yours sincerely

Xanthe Barker  
Principal Committee Coordinator

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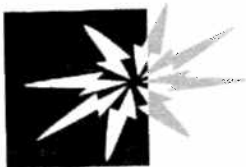
|                       |   |              |  |
|-----------------------|---|--------------|--|
| Report for:           | Cabinet   | Item Number: |  |
| Title:                | <b>Shared Regulatory Services between Waltham Forest (WF) and LB Haringey (LBH)</b>     |              |  |
| Report Authorised by: | Stuart Young, Assistant Chief Executive<br><i>[Signature]</i>                           |              |  |
| Lead Officer:         | Eubert Malcolm, Regulatory Services Manager<br>Catherine Galvin, Joint Programme Office |              |  |
| Ward(s) affected: ALL | Report for: Key Decision  |              |  |

**1. Describe the issue under consideration**

- 1.1 The report outlines the approach taken by LB Waltham Forest (WF) and LB Haringey (LBH) officers to develop an initial proposal for a shared regulatory services offering by the two councils.
- 1.2 Cabinet will be aware that this proposal formed part of the report to Cabinet on 4<sup>th</sup> October 2011 entitled "Financial Planning 2012-13 to 2014-15 – mid year budget update". In this report it states that there would be a review of delivery options for (amongst other services) Trading Standards and Environmental Health. This proposal is part of that review.

**2. Cabinet Member introduction**

- 2.1 This proposal is covered by the Memorandum of Understanding between the WF and LBH. Aside from the financial benefits outlined in this report the proposal offers the opportunity to provide a more resilient service for the residents of Haringey. This is particularly important when we are considering essential services such as these in this financial climate. A shared service would also allow both boroughs to share expertise and learning, taking best practise as the bench mark.



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### 3. Recommendations

3.1 That the Cabinet is asked to:

3.1.1 Agree in principle to establish a joint regulatory service between the London Boroughs of Haringey and Waltham Forest for the regulatory services as set out in this report and in the Appendices

3.1.2 Cabinet is asked to note:

- a) That a 30 day staff consultation with recognised trade unions and staff on Phase 1 of the shared regulatory service as described within this report and at Appendix 1 and 2 of this report commenced in the w/c 31 October 2011
- b) That if 3.1.1 is agreed the executive will consider the outcome of the consultation exercise and any equalities impact assessment and make a final decision on the proposal to enter into Phase 1 of the shared regulatory services in December 2011
- c) That the decision on the staffing structure of Phase 1 of the shared regulatory service will be referred to the Corporate Committee following conclusion of the formal staff consultation process
- d) That the implementation of the shared regulatory services proposals will require further decisions of the Council and / or the executive to delegate the statutory functions covered by the joint service.

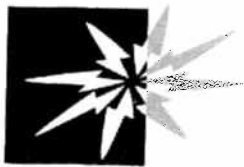
### 4. Other options considered

4.1 A "stand alone" option was considered but it was felt that the benefits of sharing out weighed this option. This is because both WF & LBH are facing significant savings targets (some of which inevitably will fall on these services). To make savings individually on relatively small services may compromise their sustainability and inhibit both boroughs ability to provide robust regulatory service.

### 5. Background information

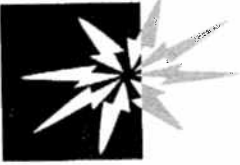
5.1 A memorandum of understanding (MOU) was agreed by WF and LBH in December 2010 to develop a number of priority shared service solutions.

5.2 In June 2011, both Chief Executives instructed officers to develop an initial proposal for a shared regulatory service across the two boroughs in respect of a number of regulatory services with the following objective. The mandate set officers the objective "..... to design and implement a shared service delivery model(s) that delivers quantifiable strategic, financial and service delivery benefits."


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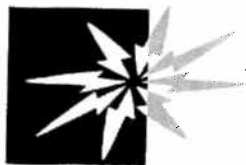
- 5.3 WF and LBH service managers have developed the initial shared service proposal for Cabinet agreement in principle subject to consultation with affected employees.
- 5.4 The project identified a two stage process to establish a shared regulatory service. The first stage (Phase 1) focuses on opportunities to *consolidate* (share) the management structure and professional expertise of WF and LBH's regulatory services. The second stage examines the options to simplify, standardise and *converge* WF and LBH's regulatory service delivery standards, ICT, business processes and the potential for physical co-location.
- 5.5 This report relates to Phase 1 only. Officers have examined opportunities to *consolidate* the management and professional expertise across the two Councils' trading standards, food safety, health and safety, public health, pollution, pest control, dog enforcement and animal welfare functions (the "regulatory services" for the purposes of this report). Existing line management and "lead" professional officer arrangements were reviewed as well as funded vacant posts.
- 5.6 A number of opportunities to reduce WF and LBH's costs by *consolidating* line management and professional capacity in a shared service solution were identified. These opportunities have been incorporated into a staff consultation document which proposes:

| Regulatory Services function        | Consolidation phase proposal  |
|-------------------------------------|---|
| <b>Trading Standards</b>            | <ul style="list-style-type: none"> <li>▪ Shared Trading Standards Manager for LBH and WF</li> <li>▪ Shared joint statutory Weights &amp; Measures officer for LBH and WF</li> <li>▪ Dedicated WF operational team retained</li> <li>▪ Dedicated LBH operational team retained</li> </ul>              |
| <b>Food, Health and Safety</b>      | <ul style="list-style-type: none"> <li>▪ Shared Food, Health &amp; Safety Manager for LBH and WF</li> <li>▪ Shared Food, Health &amp; Safety "Lead" Officer for LBH and WF</li> <li>▪ Dedicated WF operational team retained</li> <li>▪ Dedicated LBH operational team retained</li> </ul>            |
| <b>Pollution expertise</b>          | <ul style="list-style-type: none"> <li>▪ Shared pollution (air, land etc) expertise for LBH and WF provided from within WF Public Health &amp; Pollution Team</li> <li>▪ LBH Pollution "Lead" seconded to WF</li> </ul>   |
| <b>Pest Control</b>                 | <ul style="list-style-type: none"> <li>▪ Consolidated Pest Control service managed by LBH and provided to LBH and WF</li> <li>▪ Shared Pest Control line manager and Senior Operative</li> <li>▪ Dedicated WF operational team retained</li> <li>▪ Dedicated LBH operational team retained</li> </ul> |
| <b>Dog enforcement</b>              | <ul style="list-style-type: none"> <li>▪ Shared Dog Enforcement service managed by WF and provided to LBH and WF</li> </ul>   |
| <b>Retained Regulatory Services</b> | <ul style="list-style-type: none"> <li>▪ WF to retain Licensing, Cemeteries, Public Health functions and First response</li> <li>▪ LBH to retain Licensing and Enforcement Response (Noise) functions</li> </ul>  |



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- 5.7 The organisation chart which accompanies the formal consultation proposal is attached as Appendix 1 to this report, and Appendix 2 includes a summary for Cabinet of the activities carried out by the functions and teams that comprise the shared Regulatory Services delivery model.
- 5.8 The Phase 1 *consolidation* proposals will generate prudent financial benefits – while maintaining the operational resilience of WF and LBH's existing regulatory services by:
- *Consolidated* team managers splitting their working week between WF and LBH locations to ensure professional and managerial oversight of joint teams is maintained.
  - Where required, additional line supervision will be provided from within the existing WF and LBH service teams to address any span of control issues in the *consolidated* teams.
  - Establishing joint management team arrangements, including quarterly operational planning meeting, joint briefing, sharing of agreed performance data, out of hours support, development of joint initiatives and shared professional training
  - Most importantly, existing and separate WF and LBH operational delivery teams will be retained during the *consolidation* phase. These operational service teams will continue to be dedicated to either WF or LBH and will:
    - Meet agreed WF and LBH regulatory service priorities and policies, including Enforcement Policy and Strategy, Contaminated Land Strategy and Air Quality Review requirements.
    - Meet agreed WF and LBH service delivery standards (i.e., response times, target volume of activities etc').
    - Maintain specialist ICT applications i.e., FLARE and M3.
    - Retain existing office space in WF and LBH civic buildings.
- 5.9 The Phase 1 *consolidation* proposal will deliver shared service management and technical expertise across a number of regulatory service functions, while retaining discrete operational teams that continue to deliver local WF and LBH service priorities and standards. A number of benefits are anticipated from this initial phase of work and will be finalised by officers during the staff consultation and subsequent implementation phase(s), including:
- Estimated full year financial benefits of c£270k from reduced salary expenditure shared across WF and LBH Regulatory Services. The proposed ratio split based on current year's budgets is 52:48, which produces indicative savings of approximately £140k for LBWF and £130k for Haringey.
  - Maintain existing service delivery priorities and standards.
  - Increased service management and professional capacity available to WF and LBH.
  - Opportunity to increase the resilience of specific regulatory services operational teams.
  - Examine the opportunities to develop shared professional development programmes for regulatory services professionals.



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- 5.10 After Phase 1 the focus of the second phase of the shared regulatory service project will examine opportunities to simplify, standardise and then *converge* the business processes, policy/procedures, service delivery standards, shared assets and potential co-location of WF and LBH's regulatory service functions. No decisions are sought on this stage in this report.
- 5.11 The indicative timetable to implement the shared Regulatory Services is shown in the table below:

| Activity  | Date                 |
|---|----------------------|
| 1. Information exchange with Managers and staff affected by shared service proposals w.e.f Friday 14.10.11                        | Friday<br>14.10.11   |
| 2. Trade Unions advised of proposal and launch of formal consultation, w.e.f Thursday 27.10.11                                    | Thursday<br>27.10.11 |
| 3. Commence joint consultation with regulatory services staff for the initial <i>consolidation</i> phase proposal                 | 3/11/11              |
| 4. End joint consultation with regulatory services staff for the initial <i>consolidation</i> phase proposal                      | W/C<br>1.12.11       |
| 5. Executive to consider outcome of consultation and any equalities impact assessment and make final decision on Phase 1 proposal | December<br>2011     |
| 6. Corporate Committee consider response(s) to staff consultation and takes decision on changes to the establishment (staff)      | TBC                  |
| 7. HR arrangements to implement <i>consolidation</i> proposals  | TBC                  |

## 6. Comments of the Chief Finance Officer and financial implications

- 6.1 The proposals being worked up should contribute towards the savings target built into the Place and Sustainability budget proposals for 2012 - 13, although at this point it is too early to evaluate exactly what this savings will be.

## 7. Head of Legal Services and legal implications

- 7.1 Haringey (and Waltham Forest) have statutory responsibilities in respect of a range of regulatory functions, including those identified in Appendix 2. The Councils also exercise powers to employ staff and provide for ancillary services to deliver those

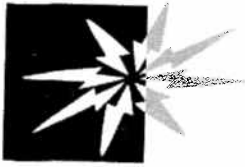


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functions, including under s.111 and 112 of the Local Government Act 1972 and s.2 of the Local Government Act 2000.

- 7.2 Both councils have powers to provide a shared service for the provision of these services, including s.2 of the 2000 Act where it can be shown the decision is likely to be for the social, economic or environmental well-being of the borough (with regard to the Sustainable Community Strategy). Both authorities have powers to delegate most regulatory functions to each other or to exercise services jointly (including under s.101 of the 1972 Act and s.19 of the 2000 Act), although with some exceptions e.g. the requirement to appoint a Chief Inspector of Weights and Measures. The precise model of delegation etc. is to be determined after the consultation phase and only if the proposals are approved. In terms of the provision of staff, a number of powers exist, including secondment via s.113 of the 1972 Act but again the precise model is yet to be determined. Further advice will be required at the time.
- 7.3 The statutory functions proposed for sharing include both executive and non-executive decisions. If the proposals are to proceed, they will require further decisions from Council and the executive to delegate these functions and for each Council's scheme of delegation to reflect any changes. The extent of any changes will depend on to what extent a function is shared.
- 7.4 Both Councils may also need to consider any implications for their statutory policies, e.g. food law enforcement and licensing. And carry out reviews if necessary.
- 7.5 The report outlines that both authorities will comply with their statutory duties to consult with recognised trade unions under s.188 of the Trade Union Labour Relations Consolidation Act 1992. The Council must also ensure that it consults with individual employees on the proposals. Whilst both boroughs may hold joint meetings with unions and staff from both authorities, they must ensure that they meet their statutory duties to their own staff and in accordance with their own procedures.
- 7.6 After completion of the consultation exercise the executives of both Councils will be asked to consider the outcome of the consultation and make a final decision on the proposal to enter into Phase 1 of the shared regulatory service. In taking a final decision the executive will also need to have specific regard to the authority's public sector equality duty and the outcome of any equality impact assessments.
- 7.7 A decision to share services will have specific consequences for the staff who are employed by the Council within these services. The Council's Corporate Committee retains responsibility under the terms of the Council's Constitution for decisions regarding changes to the staffing establishments. If the executive approve the proposal to enter into Phase 1 of the shared regulatory services in December 2011, this will then be referred to the Corporate Committee.





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## **8. Equalities and Community Cohesion Comments**

- 8.1 If the Cabinet agree in principle to the shared regulatory service, a full equalities impact assessment will be undertaken on the impact of the shared services on the delivery of the regulatory services and the impact on the staff. The equalities impact assessment will be presented to the executive when a final decision is sought in December.

## **9. Head of Procurement Comments**

- 9.1 The initial proposal for the setting up of a shared regulatory service does not have any procurement implications.

## **10. Policy Implication**

- 10.1 This proposal is consistent with Council Policy of delivering Value for Money, robust, sustainable front line services.

## **11. Use of Appendices**

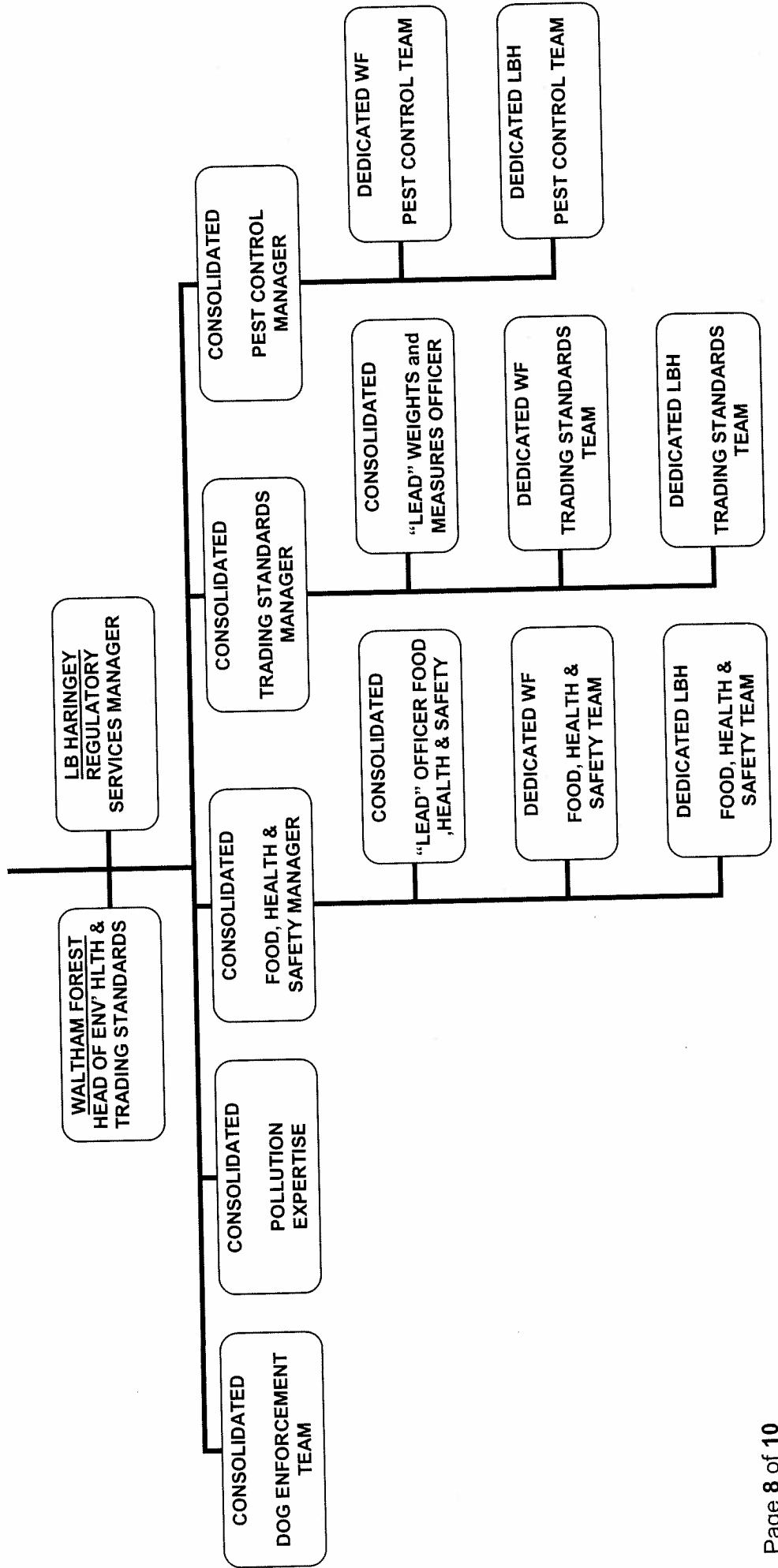
- 11.1 Appendix 1 – Consolidated Regulatory Service model  
11.2 Appendix 2 – Consolidated Regulatory function

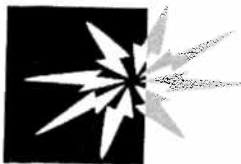
## **12. Local Government (Access to Information) Act 1985**

1. Shared Regulatory Services outline business case proposition (September 2011).
2. Formal Consultation Proposal for a shared Regulatory Service between LB Waltham Forest and LB Haringey (October 2011).



**Haringey Council**  
**APPENDIX 1 – CONSOLIDATED REGULATORY SERVICE MODEL**





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## APPENDIX 2 – CONSOLIDATED REGULATORY FUNCTIONS

### **Consolidated Pollution expertise includes the following activities**

Pollution process: Covers those industrial processes that have the potential to cause only air pollution; the local authority is responsible for their inspection and authorization these processes and in the case of LBWF air pollution complaints that relate to these. The service is also responsible for monitoring sites for a range of pollutants. Currently LBH monitors for oxides of nitrogen, sulphur dioxide, ozone and fine particles at various sites across the borough, LBWF monitors oxides of nitrogen and fine particles at various sites across the borough. Both services also deals with a wide range of regulations such as those which control smoke emissions & height of chimneys. The responsibility for enforcing the contamination land legislation i.e. publishing a contaminated land strategy, inspections of contaminated land, agrees action to remove contamination, maintains a contaminated land register.

### **Consolidated Food and Health & Safety includes the following activities**

Food Safety: The aim of the Food Safety Act and associated regulations is to ensure that all food sold to the public is safe, has been hygienically handled and produced and is properly described on its label. One of the responsibilities of Boroughs is to enforce food safety legislation. The purpose of a food hygiene inspection is to ensure that food sold to the public is safe to consume. Additionally EHO's will visit many premises when following up complaints, and will visit any new premises that open in the borough. Following a complaint of contaminated food an Officer will carry out an investigation to find the reason for and source of the contamination. The food team in LBWF also inspect for food standards (labeling and compositions) as well as managing notifiable infectious diseases such Para typhoid and cryptosporidium.

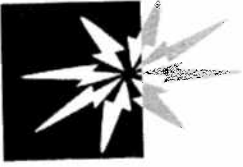
Health and Safety at work is responsible for ensuring that certain businesses provide a safe working environment for employees, members of the public and contractors. The enforcement of health and safety at work is divided between the Health and Safety Executive (HSE), a central government agency, and local authorities. Local Authorities are responsible for retail premises, certain warehouses, hotels, leisure premises certain type industries including private care homes.

### **Consolidated Trading Standards includes the following activities**

Enforcement and investigation of consumer protection laws, as well as offering advice to consumers and businesses, prosecutes traders who commit serious offences including under age sales through test purchases, inspects trade premises and provides a wide range of information on consumer protection. The LBWF plan can be found on <http://www.walthamforest.gov.uk/ts-service-plan2011-12.pdf>

### **Consolidated Pest Control includes the following activities**

Carrying out pest control treatment for businesses, residents and housing providers. Both boroughs provide an extensive service to their Arms Length Housing providers. Come pests that are treated are Mice, Rats, Cockroaches, Bedbugs, Ants, Wasps and other nuisance pests. Concessions are offered by both boroughs.



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**Consolidated Dog Enforcement includes the following activities**

Collection and kennelling of stray dogs and returning stray dogs to their owners.