



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 17TH SEPTEMBER 2013

SUBJECT: PROPOSED GWENT TRADING STANDARDS SERVICE

REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 This report advises members of the intention to seek Cabinet approval to progress a project to establish a Gwent Trading Standards Service.

2. SUMMARY

- 2.1 Trading Standards has been identified as a service that should be considered for collaborative service delivery. Trading Standards services advise on and enforce consumer law. The Trading Standards services of the 5 Gwent Local Authorities comprise of approximately 75 staff and Welsh Government have approved a bid to fund a project to establish a single service in Gwent operated by Caerphilly Council.
- 2.2 Under the proposal staff would transfer to Caerphilly Council under TUPE arrangements. The Project Team would be expected to identify and address all associated personnel matters, legal issues, governance and financial arrangements, as well as IT and customer contact requirements. It is proposed to seek Cabinet's approval to progress the project on the basis that the funding contribution of each Local Authority will be based upon the resources required for the new service, rather than existing resources; and that any final agreement to establish a Gwent Trading Standards Service will be subject to the completion of a detailed business case for consideration by the respective Councils.

3. LINKS TO STRATEGY

- 3.1 Trading Standards is a service identified within A Compact for Change between the Welsh Government and Welsh Local Government as one that should be considered for collaborative service delivery.
- 3.2 Enforcing Trading Standards legislation is a statutory duty and this activity also contributes to the Healthier Caerphilly, Greener Caerphilly, Prosperous Caerphilly, and Safer Caerphilly priorities within the Caerphilly Local Service Board single integrated plan, Caerphilly Delivers, and Objective 1 of the Council's Strategic Equality Plan 2012.

4. THE REPORT

- 4.1 Trading Standards is a service identified within A Compact for Change between the Welsh Government and Welsh Local Government as one that should be considered for collaborative service delivery. Welsh Government's established Collaborative Footprint for Public Services provides clarity around regional areas based on the Local Health Board and police authority boundaries and there is an expectation that collaborative working will be aligned to this footprint.

4.2 At present each of the 5 Local Authorities in Gwent operates a Trading Standards service. Trading Standards officers act on behalf of consumers and business advising on and enforcing laws that govern the supply of goods and services. They advise on consumer law investigating complaints and, when appropriate, prosecuting traders who break the law. There is some variation in the functions directly delivered by the Trading Standards Services, but typically core functions are:

- Intellectual Property Crime (counterfeit goods)
- Food Standards/Feed Hygiene
- Door Step Crime/Rogue Traders
- Product Labelling & Pricing
- E Crime (policing the internet)
- Weights and Measures
- Product Safety
- Under-age Sales
- Animal Health and Welfare
- Business Advice & 2nd tier Consumer Advice

In addition Newport Council host the Wales Scambusters Team. Having regard to the varying functions of the five Local Authorities, the model of service delivery will need to be agreed as part of the single service.

4.3 There are approximately 75 staff (full time equivalents) involved in the delivery of Trading Standards services in Gwent at present. Current expenditure on these services is approximately £3.1 million pounds per annum. The case for change arises from concerns about the future resilience and capacity of Trading Standards services were they to be retained within an individual Local Authority setting. The prospect of further cuts to the budgets of Trading Standards services is also considered to present a risk to their viability in the future. Trading Standards services are relatively small, accounting for less than 1% of local authority budgets and the key benefits of collaborative regional delivery will be seen in terms of improved outcomes and greater resilience.

4.4 In discussions between Welsh Government and local government models of collaborative service delivery have been considered on a spectrum ranging from maintaining the status quo to establishing a single all Wales service. This is being taken forward across the regions in Wales with a number of different models being progressed. Merthyr and Rhondda Cynon Taff Councils have agreed a Memorandum of Understanding on joint working that includes cross authorisation of officers and shared training activities. Cardiff, Vale of Glamorgan, and Bridgend Councils are collaborating outside of the 6 region footprint on shared management proposals. The other remaining regions are introducing Memorandum of Understanding based models. In Gwent a single service is proposed based on a lead Authority model with Caerphilly Council as the lead Authority.

4.5 Welsh Government have approved a bid for funding from the Regional Collaboration Fund of £396,584 in Year 1, £100,000 in Year 2, and £60,000 in Year 3. The funding is to provide for a Project Team to progress the detail of the proposed service and encompass the necessary, Legal, Personnel, Finance, and ICT expertise and resource. The Project Team will be expected to determine the scope and level of the proposed service, and to quantify the resources needed to deliver the service required. It is proposed that a detailed Service Level Agreement is established between Caerphilly Council and the other 4 Gwent Local Authorities.

4.6 With Caerphilly as the Lead Authority it is proposed that Trading Standards staff from the other Gwent Local Authorities would transfer under TUPE arrangements. It will be necessary to ensure full consultation with staff and Trades Unions. Proposals for appropriate customer contact arrangements will also need to be established. It will also be necessary to clarify accommodation requirements and proposals as well as IT arrangements.

- 4.7 Whilst it is proposed that a service level agreement be in place, Governance arrangements will also be developed. At this early stage it has been suggested that this could be best achieved by establishing a Gwent Trading Standards Board with Member and Officer representation from each of the constituent Local Authorities, but again this will require further detailed consideration.

5. EQUALITIES IMPLICATIONS

- 5.1 No Equalities Impact Assessment has been undertaken on progressing the joint-project, however bearing in mind the core functions listed in 4.2, the overall Trading Standards function is of particular value to individuals covered by the Equality Act 2010 (e.g. older people, people with physical or learning disabilities etc) as they can be at greater risk of fraudulent and/or criminal behaviour when purchasing goods and services.
- 5.2 Equally, Trading Standards works with traders from all backgrounds to ensure compliance with current legislation and for example has provided specific and targeted guidance in a range of languages, where required.

6. FINANCIAL IMPLICATIONS

- 6.1 Expenditure on Trading Standards services in Gwent is currently approximately £3.1 million pounds per annum. However, it is proposed that the funding arrangements for the new Service reflect the level of resources necessary to provide the service required. The financial contribution by constituent Local Authorities would therefore be based on a formula and apportionment to be agreed, but which might result in individual Local Authorities needing to find more or less resource than existing. This Project aims to deliver service resilience rather than cashable savings.

7. PERSONNEL IMPLICATIONS

- 7.1 As stated within the report, the Trading Standards services of the 5 Gwent Local Authorities comprise of approximately 75 staff and Welsh Government have approved a bid to fund a project to establish a single service in Gwent with Caerphilly County Borough Council acting as the lead Authority.
- 7.2 To operate this service, it is proposed that staff will transfer to Caerphilly County Borough Council via TUPE transfer, in accordance with the service model.
- 7.3 Should this proposal be agreed, full consultation will take place with all employees and Trade Unions with regard to the single service and all the relevant staffing implications.

8. CONSULTATIONS

- 8.1 The report has been sent to the consultees listed below and there are no consultation responses that have not been reflected within the report.

9. RECOMMENDATIONS

- 9.1 The Committee are asked to comment upon the proposals to seek Cabinet approval:
- (i) To establish a Project Team to progress proposals for a Gwent Trading Standards Service with Caerphilly Council as the Lead Authority.
 - (ii) That the funding contribution of each Local Authority for the new service will be based upon the resources required for the new service, rather than existing resources.

- (iii) That any final agreement to establish a Gwent Trading Standards Service will be subject to consideration of a detailed business case by the respective meetings of full Council.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To obtain Cabinet's approval to progress a project to establish a Gwent Trading Standards Service and to seek agreement for some initial funding and decision making principles.

11. STATUTORY POWER

- 11.1 The 2009 Local Government Measure.

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Cllr. E.M. Aldworth, Vice-Chair Regeneration & Environment Scrutiny
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Sandra Aspinall, Acting Deputy Chief Executive
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Mike Eedy, Finance Manager
Sue Ead, Solicitor
Paul Lewis, Information Technology Development Manager
Lynne Donovan, Personnel Manager
Jacqui Morgan, Trading Standards, Licensing and Registrars Manager
David A. Thomas Senior Policy Officer (Equalities and Welsh Language)

Background Papers:

A Compact for Change between the Welsh Government and Welsh local government.