

BUCKINGHAMSHIRE COUNTY COUNCIL AND SURREY COUNTY COUNCIL

TRADING STANDARDS JOINT COMMITTEE

DATE: 28TH SEPTEMBER 2017

**LEAD OFFICER: AMANDA POOLE
ASSISTANT HEAD OF TRADING STANDARDS**

SUBJECT: PERFORMANCE AND JOINT SERVICE BUDGET

1.0 SUMMARY OF ISSUE:

- 1.1 The Buckinghamshire County Council and Surrey County Council Trading Standards Service Joint Committee is asked to note the performance of the service for financial year from April 2016 to March 2017. The information provided covers performance against the seven high level indicators agreed by this Joint Committee and in relation to the service budget.
- 1.2 The information provided shows that:
- a) Overall the Service is performing well and delivered excellent results against key performance indicators in 2016-17.
 - b) The Joint Service budget was slightly underspent at the end of 2016-17 (by £31,000 which equated to 1% of the planned budget)

2.0 RECOMMENDATIONS:

- 2.1 It is recommended that:
- 2.1.1 The Trading Standards Joint Committee note the Service's performance.
 - 2.1.2 The Trading Standards Joint Committee notes the Service's current financial position.

3.0 REASON FOR RECOMMENDATIONS:

- 3.1 The Joint Committee is required by the Inter Authority Agreement which underpins the service to:



- a) Ensure effective performance of the Service. This includes formally reviewing performance annually by considering performance against the agreed measures and agreeing performance measures for the Service in advance of the start of each financial year.
- b) Maintain financial oversight of the Service and ensure sound financial management.

4.0 <u>PERFORMANCE DETAILS:</u>
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- 4.1 The performance of the joint service is measured through seven key performance indicators which are detailed in the attached full year performance report.
- 4.2 There are no statutory performance indicators for Trading Standards and there is no performance benchmarking data available for comparison. Following the National Audit Office report on “Protecting consumers from scams, unfair trading and unsafe goods” published in December 2016 the Association of Chief Trading Standards Officers (ACTSO) are in the process of developing a new national performance framework for Trading Standards. The joint service has is helping to lead the development of this new national performance framework.
- 4.3 The Joint Committee are invited to note the volatility of the performance outcomes, particularly in relation to KPI’s 1, 2 & 7. This volatility is illustrated in the quarterly breakdowns of the first KPI but is relevant across each of these measures. Individual case outcomes, which often have been preceded by months or years of work, significantly affect the overall performance. For example, over half the savings achieved in KPI 1 related to a single case, and in the second KPI 86% of the proceeds of crime confiscated in the previous financial year related to a single case.
- 4.4 All the Key performance Indicators with numerical targets were met. These include:
 - KPI 1 – increasing the financial savings for residents as a result of our interventions and investigations, which moved from £269,829 in 2015-16 to £426,713 in 2016-17, showing a 58% increase.
 - KPI 4 – increasing the number of Primary Authority Partnerships, which moved from 78 at the end of 2015-16 to 88 at the end of 2016-17, showing a 13% increase.
 - KPI 5 – increasing the number of trader approval schemes which moved from 1665 at the end of March 2016, to 3062 at the end of March 2017 – an 84% increase.
- 4.5 A key priority for the Service is protecting the most vulnerable, increasing the financial savings for residents and stopping rogue traders operating in Buckinghamshire and Surrey. KPI 2 relates to stopping rogue traders operating and is a combination of indicators which may help the committee to understand the level of work being undertaken in this area. This indicator shows that there has been a drop in 2016-17 compared to the previous year in areas such as prison sentences awarded, fines and rogue traders

convicted. It should be noted however that 2015 – 2016 was an exceptional year in which a relatively high number of serious cases reached conclusion and hence should not be seen as a typical year. There was a drop in proceeds of crime confiscated in 2016-17 but one of the reasons for this was a significant increase in compensation awarded from the Proceeds of Crime, where victims had been identified and therefore were able to receive compensation (£336,000 in 16-17 compared to £114,000 in 2015-16). Both of these figures show a marked improvement compared to Proceeds of Crime compensation awarded prior to the creation of the joint Service in 2015, showing the Service's determination to ensure that criminals do not benefit from their conduct. KPI's 1, 5 & 7, which are positive, also relate to this priority area.

- 4.6 Our second key priority is to helping businesses to thrive and supporting economic growth. Our Primary Authority Partnerships continue to grow (up 13%) with the focus in 2016-17 on developing our relationships to increase the impact of each partnership, which saw the income from these partnerships growing strongly (a 44% increase on the previous year).
- 4.7 Improving the health and wellbeing of communities is the third key priority for the Service, and KPI 6 discusses some of the work that the Service does to support this.

5.0 BUDGET 17/18:

- 5.1 The budget for the joint service was set out in the original joint service business case and set out planned savings of 12% over the first 4 years of the new shared service. This and was adjusted by the Joint Committee in March 2016 to include an additional 1.5% 'marginal efficiency savings' each year from 16/17 for four years.
- 5.2.1 To date the Service has delivered all the savings and additional income targets set out in the original business case.
- 5.3 In March 2017 the Joint Committee agreed a revised budget for the Service, to include new additional income generation targets of 3.8% (£109,000) in 2017/18; 3.5% (£96,000) in 2018/19; and 1.1% (£31,000) in 2019/20. The detail of this budget is set out in Annex A for information. Overall this results in overall savings targets for the shared service of approximately 27%.
- 5.4 It is currently projected that the budget will be slightly (2.5%) underspent at outturn this year. The savings projected in the joint service business plan for 2017/18 will be achieved. In 2017/18 the main saving (other than continued income growth) includes bringing back into the Service the delivery of a contract which had been outsourced to Oxfordshire CC to undertake petroleum and explosives enforcement.
- 5.5 In the Trading Standards budget there are a number of factors which introduce volatility to the budget. It is challenging to accurately predict income and its timing especially where costs are recovered from prosecutions. Some cases go through the legal process in a matter of weeks and others can run into years. Conversely the timing and amount spent on prosecutions varies

depending what approach is taken by the defence, what arguments are made and whether the defendant pleads guilty at an early opportunity.

- 5.6 The Service manages its' budget closely to even out the most volatile factors where it is possible. Future income growth targets have some associated risk. A separate report for the Joint Committee covers income generation work in more detail.

6.0 CONSULTATION:

- 6.1 No external consultation has taken place.

7.0 RISK MANAGEMENT AND IMPLICATIONS:

- 7.1 All significant risks affecting the service (which include items beyond budget and performance) are considered by the management team each quarter.

8.0 FINANCIAL & VALUE FOR MONEY IMPLICATIONS

- 8.1 The Service is delivering all elements of the business case and is anticipating to break even in 17/18.
- 8.2 The strong foundation created by the shared service will enable it to achieve the additional income without damaging service delivery.

9.0 LEGAL IMPLICATIONS

- 9.1 The Inter-Authority Agreement provides the legal framework within which the Service operates. As set out in paragraph 3.1 of the report, the Joint Committee is responsible for ensuring the effective management of the Service and maintaining financial oversight. The Service's performance is then subject to scrutiny in the participating authorities in the normal way.
- 9.2 The report makes a number of references to relevant legal processes and proceedings that the Service has been involved in over the last year. There are no other specific legal issues that need to be drawn to the attention of the Committee.

10.0 EQUALITIES & DIVERSITY

- 10.1 The performance being reported will not impact on residents or staff with different protected characteristics, as such an Equality Impact Assessment has not been included.

11.0 WHAT HAPPENS NEXT:

- 11.1 Performance continues to be reviewed by the Service Management team and by the Joint Service Board.

REPORT DETAILS

Contact Officer(s):

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Mr Steve Ruddy, Head of Trading Standards 01372 371730

Consulted:

Annexes:

Annex 1: Key Performance Indicators Full Year Report 2016/17

Annex 2: Trading Standards Budget 2017/18 onwards:

<https://mycouncil.surreycc.gov.uk/documents/s36930/Item%20%20-%20Annex%20%20-%20Budget%20information.pdf>

Sources/background papers:

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