

**BUCKINGHAMSHIRE COUNTY COUNCIL AND SURREY COUNTY COUNCIL
TRADING STANDARDS JOINT COMMITTEE**

DATE: 29 MARCH 2018

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

SUBJECT: PERFORMANCE AND JOINT SERVICE BUDGET

SUMMARY OF ISSUE:

1. The Buckinghamshire County Council and Surrey County Council Trading Standards Service Joint Committee is asked to note the performance of the service for the first three quarters of the financial year (from April 2017- December 2017). The information provided covers performance against seven high level indicators and in relation to the service budget.
2. The information provided shows that:
 - a) Overall the Service is performing well.
 - b) It is projected that the service budget will be under spent at outturn, achieving all the savings projected in the Business Case for the shared service and subsequently agreed efficiencies and income generation targets for the year.
3. The Joint Committee is asked to agree the Performance Indicators about which it wishes to receive information in the year 2018/19.
4. The Joint Committee is asked to note the future joint service budgets for 2018/19 to 2020/21.

RECOMMENDATIONS:

5. It is recommended that the Trading Standards Joint Committee:
 - a) notes the Service's performance.
 - b) agrees the Performance Indicators for 2018/19.
 - c) notes the joint service budget for 2018/19 to 2020/21.

REASON FOR RECOMMENDATIONS:

6. 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.

PERFORMANCE DETAILS:

7. The performance of the joint service is measured through seven key performance indicators which are detailed in the attached performance report.
8. The performance indicators were designed to link back to the Service's priorities. Some are measures of the Service's performance and some are indicators as their outcomes are not within the full control of the Service. This is highlighted in the attached report but particularly includes matters decided by the court system, such as fines, prison sentences and compensation awards.
9. The Joint Committee originally decided not to report this performance information on each geographic area separately for a number of reasons including:
 - to drive a greater sense of shared responsibility for the overall performance of the Service;
 - that geographical boundaries are increasingly blurred: both with the use of communication and social media that can impact both areas; and that an increasing proportion of the crimes investigated by the Service are cross border and affect multiple areas;
 - that there is significant volatility in some indicators which would be further exacerbated if they were reported by separate geographical area;
 - that, particularly in the Services offered to businesses, we are partnering with national companies who impact our areas but whom are based elsewhere.
10. A key priority for the Service is protecting residents from harm and financial loss and KPI 1 shows the financial savings obtained for residents as a result of our interventions and investigations. This indicator, alongside KPI 2 continues to show significant volatility quarter to quarter. As with last year, the largest single amounts of savings for residents have come following the Service's prosecution of offenders. In October, two defendants (who had been sentenced in 2016) were ordered to pay £213,180 and £45,000 respectively in compensation to the known victims of their crimes following confiscation proceedings under The Proceeds of Crime Act (POCA). These orders were set in the context that their criminal benefit was found to be over £1.4m but the orders were set at the amount of available assets they have. A nominal order was made against a third defendant involved in the same crimes, as the court accepted he had no realisable assets (his criminal benefit was accepted at just under £600,000). A nominal order allows for a court to amend the order in future if the person unexpectedly comes into money. Failure to pay the amounts required by Confiscation Orders within a set period of time (usually 3 months) would lead to further prison sentences and the amount still needs to be paid as the debt never expires.
11. The notable increase in fines awarded this year relates to the culmination of a long running prosecution which saw sentencing of Zenith Staybright Ltd for ten offences under The Consumer Protection from Unfair Trading Regulations in June 2017. The company was fined £80,000.

12. Prison sentences given in the first three quarters of this year have been awarded for fraud and money laundering offences. In addition to these, prosecutions have also been successful for safety and trade mark (counterfeiting) offences. The Trade Mark Act offences saw a 150 hour unpaid work community order being placed on the offender.
13. Our second key priority is to help businesses to thrive. Our Primary Authority Partnerships continue to grow, with the focus now on developing our relationships to increase the impact of each partnership and, particularly this year, managing the transition to the new legislative regime for Primary Authority which came into force on 1 October 2017. The Service has also been gradually expanding its 'single point of contact' network of partners across the regions to strengthen our offer to those trading across borders. We now have a network which includes partners in Wales, Scotland and Guernsey.
14. Improving the health and wellbeing of communities is also a key priority for the Service. A significant part of the Service's work to support this relates to Food and Feed work, and a more detailed analysis of our work in this area is given in the "Official Food Standards and Feed Controls Service Plan" agenda item. Another important area of work to support this priority is Ports surveillance. Through a national system to target consignments which are more likely to contain unsafe or non-compliant goods, the service has inspected 41,249 products at the border and found 1,299 unsafe items and a further 15,963 which were non-compliant in another way (for example with incorrect labelling or lack of instructions) some examples of which are given in the full report attached.
15. Another area where performance is of note is in relation to volunteers. In the first 9 months of the year, volunteers have provided over 1700 hours of their time to the Service: to spread the messages of the Service (in particular in relation to scams, encouraging more people to become 'friends against scams'); test purchasing of informal food samples; and supporting victims of scams.

Performance Indicators for 2018 / 2019

16. The Joint Committee are asked to agree the continued use of the above mentioned performance indicators for 2018/19.

<u>BUDGET 17/18:</u>

17. It is projected that the budget will be around £68,000 under spent at outturn this year. All of the savings projected in the joint service business plan will be achieved as planned. This underspend will be returned to each of the partner Council's in the 34% (Bucks) : 66% (Surrey) ratio which underpins all financial elements of the Service (including contributions).
18. The projected under-spend is largely as a result of turnover and staff vacancies.

Joint Service Budget for 2018/19 and beyond

19. The budget for the joint service was set out in the original joint service business case, planning 12% budget reductions over 4 years. Since then a

number of adjustments have been made by the Joint Committee. These include: in March 2016 the Joint Committee agreed to include additional 1.5% 'marginal efficiency savings' (i.e. small savings gained across the service by making slight changes in our approach to a range of areas, rather than by doing one thing significantly differently) each year from 16/17 for four years; in March 2017 the Joint Committee agreed additional income to be delivered in 2017/18; 2018/19 and 2019/20. The combined impact of all of these changes will lead to a 28% reduction in budget of the Service between March 2015 and March 2020.

20. The progress made provides confidence that the projected savings (and increases in income) agreed to date will continue to be achieved in the years ahead.
21. Both partner local authorities continue to face major budget pressures in the years ahead and the Service will continue to push itself to deliver on a tighter budget. As in this year, if the Service develops an under-spend beyond the budget savings required, then this will be returned to each Local Authority in the usual proportions.
22. The current joint service budget is set out in detail in the annex to this report and the Joint Committee are asked to note the joint service budget.

CONSULTATION:

23. The Trading Standards Joint Management Board have been consulted on performance and budget.

RISK MANAGEMENT AND IMPLICATIONS:

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

FINANCIAL & VALUE FOR MONEY IMPLICATIONS

25. The Service is delivering all elements of the business case and is anticipating an under-spend in 2017/18.
26. The strong foundation created by the shared service will enable it to achieve the planned income without damaging service delivery.

LEGAL IMPLICATIONS

27. The Inter-Authority Agreement provides the legal framework within which the Service operates. In the event that the forecast underspend is realised at the end of this financial year, the surplus monies will be returned to Buckinghamshire and Surrey in accordance with their respective percentage contributions towards the Service's budget for the year.

28. The Committee will be aware that both authorities' respective executives retain the final decision making power for determining the Service's budget for the next financial year.

29. The report makes a number of references to relevant legal processes and proceedings that the Service has been involved in over the last three quarters. There are no other specific legal issues that need to be drawn to the attention of the Committee.

EQUALITIES & DIVERSITY

30. 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.

WHAT HAPPENS NEXT:

31. 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, Tel: 01372 371730

Consulted:

- Noel Brown, Cabinet Member, Bucks CC
 - Denise Turner-Stewart, Cabinet Member, Surrey CC
 - Phil Dart, Service Director, Bucks CC
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Annexes:

Annex A: Key Performance 2017/18
Annex B: Trading Standards Budget 2017/18 onwards

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