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| Item No. | Classification: Open | Date: 25/03/03 | MEETING NAME Executive |
| Report title: | | Best Value Review of Regulation Outcome of Best Value inspection of Commercial and Living Environments | |
| Ward(s) or groups affected: | | ALL | |
| From: | | Director Environment & Leisure | |

RECOMMENDATIONS

1. That Members note the results of the Best Value inspection of the Councils regulatory services in relation to the commercial and living environment.
2. That Members agree that the action plan at Appendix B is the basis of the Best Value implementation plan for 2003 – 2006.
3. That Members instruct officers to provide a further report specifying a set of priorities for enforcement activity, appropriately resourced, to deliver targeted proactive work and inspection programmes¹.
4. That Members instruct officers to provide a further report detailing actions taken to improve the delivery of services, including outcomes from joint working².
5. That Members instruct officers to provide a further report detailing progress in recruiting and retaining staff and its impact on service delivery – and in particular inspections performance³

BACKGROUND INFORMATION

6. In 2000 – 2001 the Director of Regeneration and Environment implemented a thematic Best Value review of regulatory services in the Council. As well the overall theme the review considered in detail three service strands:
 - Living Environment, encompassing what was Environmental Services and including Highways Enforcement;
 - Physical Environment, encompassing Development Control and Building Control; and

¹ Audit Commission recommendation iv

² Audit Commission recommendation vii

³ Audit Commission recommendation viii

- Commercial Environment encompassing what was Commercial Services and including Street Markets.
7. Ratification Committee on 2 May 2001 agreed a Final Vision and Action and Implementation Plan for the overall theme, together with Final Visions, Action and Implementation Plans and procurement options for each of the three strands of the review.
 8. The Audit Commission conducted an inspection of the Living Environment review in May 2002 as part of the Comprehensive Performance Assessment of the Council. The service received a fair, 1-star rating with uncertain prospects for improvement.
 9. In October 2002 the Audit Commission inspected the remaining two components of the Regulatory review. This report is concerned only with this inspection and the actions arising from it.
 10. The inspectors found that it was a good, 2-star service, however they felt that prospects for improvement were uncertain.

KEY ISSUES FOR CONSIDERATION

11. A copy of the Audit Commission inspection report is attached as Appendix C.
12. The Audit Commission Inspectors found that the Service is good because
 - there is a clear vision for regulatory services based on improving customer focus, contributing to corporate priorities and becoming more cost effective;
 - service aims are clear, and service standards and targets set are generally challenging and revised to take account of users' feedback;
 - users regard the Service as responsive , for example it has a 24 hour, 7 days a week noise service, and reviews its targets to meet increasing expectations;
 - overall levels of satisfaction among users are good and the environmental health and trading standards service has been awarded the Charter Mark for its approach to customer focus;
 - a range of forums exist for consulting service users and they are provided with good quality information including newsletters;
 - a number of initiatives have been recognised as good practice, including the trading standards web-site, and securing safe living conditions for asylum seekers and homeless households;
 - a neighbourhood approach has been developed to tackle environmental problems such as littering, graffiti and fly tipping supported by a cleaner borough programme; and
 - costs compare well with similar boroughs and despite continued year on year cuts in the budget the Service has managed to improve

productivity of staff and retain top quartile performance in trading standards and residential services.

13. However, they found that there were a number of areas for improvement:

- there is an absence of defined aims for street trading and highways enforcement setting out what service is aiming to achieve;
- a lack of reporting against corporate priorities leads to a lack recognition of the Service's achievements;
- limitations of the existing telephone system have led to problems for callers accessing the Service by phone; and
- the Service is not delivering its programme of food premises and workplace health and safety inspections and there is a comparatively low level of formal enforcement activity in these areas.

14. Overall they judged the prospects for improvement as uncertain, but they found a number of positive aspects, including:

- an environmental call centre is being implemented to provide a single point of contact for all environmental services;
- business processes have been reviewed to improve efficiency;
- the Service has retained a good level of service in most areas despite increasing demand and reducing budgets; and
- the introduction of a work-life balance and other initiatives to improve recruitment and retention.

15. However, this is balanced by:

- long-term vacancies having a continuing impact on delivery of food and health and safety inspections, enforcement activity and educational work;
- slow progress in implementing key recommendations of the review, including:
- refocusing of services on minority community needs, such as targeting of businesses and consumers with English as a second language;
- councillor agreed policies for enforcement and priorities for proactive working;
- decisions on the balance between proactive and reactive work;
- integration of enforcement roles and joined up regulation across the Service and other departments;
- pooling of administrative and support services;
- extending the use of new technology; and
- development of proposals for alternative forms of service provision;
- it is not clear how the restructuring will improve the Service for customers; and

- uncertainty over resources for key improvements such as proactive noise work, targeting of hard to reach groups and delivering on the inspection programme for food and health and safety.

16. The inspectors made a number of recommendations as follows:

- i. Improve telephone and electronic access to all services.
- ii. Review the approach of regulatory services to identifying the needs of all sections of the community and to targeting services at those in greatest need.
- iii. Develop a more comprehensive enforcement policy that covers all regulatory services, supported by separate policies for different service areas.
- iv. Seek councillor approval for a set of priorities for enforcement activity, appropriately resourced to deliver targeted proactive work and inspection programmes.
- v. Complete the restructuring of environmental health and trading standards services, ensuring that the objectives of the improvement plan are delivered, including more joined up regulation.
- vi. Ensure that all regulatory services projects and initiatives have clearly defined outcome-based objectives and targets to prevent duplication of effort and allow effective monitoring of performance improvements for the public.
- vii. Promote to councillors and users actions taken to improve the delivery of services, including outcomes from joint working.
- viii. Report regularly to councillors on progress in recruitment and retention of staff and its impact on service delivery and in particular inspections performance

17. In light of the concerns the inspectors had about performance in food safety and occupational health and safety, they will be re-inspecting these services in 12 months time. The scope of this will include delivery of inspection and education programmes and enforcement activity.

18. The action plan at Appendix B details the Environment and Leisure Department's response to the inspector's report, focusing primarily on the recommendations of the Inspectorate. This will be the basis of the improvement plan for the services until 2006.

Policy implications

NRF/Priority Neighbourhoods and Area Fora

19. Environmental Health & Trading Standards contribute to a neighbourhood-focussed approach towards dealing with clean, green issues at a local level

through the use of Street Action Teams; using visual audits and targeted action.

20. The Licensing Unit will support local decision-making through Community Councils and will be providing training to Councillors on licensing issues in 2003/4.

Community Strategy

21. The Service contributes to delivering key components of the Council's priorities of

- Tackling poverty
- Making Southwark cleaner and greener
- Cutting crime and fear of crime
- Raising standards in our schools

Effect of proposed changes on those affected

22. Regulatory services are potentially delivered equally to different communities within Southwark. Through the enforcement of such functions as health and safety, food safety and noise control it could be said that the service is actively contributing to community cohesion through improvements to the community environment.

23. The delivery of these services can be split into two main processes: reactive response to customer requests; and proactive inspections/enforcement of legislation. Though there are no obvious barriers in either of these in terms of race, there may be in some aspects of how the service is delivered. Potential barriers are:

- Availability to the public of information or access to suitable information including translations
- A lack of understanding of the service by the public
- Possible negative perception of the service as a purely enforcement/prosecution service
- Negative perception by businesses due to compliance costs incurred under new legislation
- Possible variance of compliance costs between different groups
- Awareness of methods for customer feedback/complaints about service provision
- Possible lack of awareness within the service of individual groups needs

24. Potential areas of improvement will be in working closely with community groups in terms of disseminating information and promoting understanding in all sections of the community. The raising of awareness of the services provided by this may increase take up of the services. An assessment of

the access methods for the services may show areas that could be developed.

Resource implications

25. There are no specific resource implications arising out of this report. Costs of delivering the implementation plan will be met from existing budget allocation.

Consultation

26. The Review included a large consultation exercise, which was conducted by MORI. The surveys were conducted with Members, staff, users, non-users, businesses and those people we enforce against. The main findings of the consultation exercise were the following:

- All our customers said that they wanted us to take a tougher stance on enforcement
- While they were often satisfied with the way we acted towards them, they were less happy with the outcome of our intervention
- Businesses wanted us to help them comply with the law by advice, information, training and award schemes
- Businesses did not want joint inspections
- Consumers wanted more money spent on regulatory services to bring up levels of enforcement and inspection.

27. Consultation has been ongoing with staff and unions on the effects of reorganisation following the Best Value review.

Legal Implications

28. The review was conducted in accordance with the requirements of the Local Government Act 1999, which established the duty of Best Value, and with the Statutory Guidance published subsequently by the Department of the Environment, Transport and the Regions.

29. There are no specific legal issues arising out of this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Best Value Unit

30. Achieving a two star 'good service' is of considerable credit to the management and staff of the service. The review established that the services covered are generally less well resourced than other London boroughs but have a high overall standard of performance. The inspectors did not identify any major areas of concern not addressed by the review. However they were concerned that not all the actions proposed in the improvement plan had been acted upon in the time given (though many had). This should be balanced by the fact that during this period there

were a number of other major initiatives, including a departmental reorganisation, that demanded management attention. The attached improvement plan addresses the recommendations of the inspectors.

REASONS FOR URGENCY

31. None

REASONS FOR LATENESS

32. None

BACKGROUND DOCUMENTS

| Background Papers | Held At | Contact |
|---|---|--------------------------|
| <i>Best Value Review of Regulatory Services Documentation</i> | <i>Environmental Health & Trading Standards</i> | <i>Tim England 55690</i> |
| <i>Best Value Inspection Report</i> | <i>Environmental Health & Trading Standards</i> | <i>Tim England 55690</i> |

APPENDIX A

Audit Trail

| | | |
|---|--|--------------------------|
| Lead Officer | <i>Gill Davies, Director Leisure and Environment</i> | |
| Report Author | <i>Tim England</i> | |
| Version | <i>Final Draft 5</i> | |
| Dated | <i>13 March 2003</i> | |
| Key Decision? | <i>Yes/No</i> | |
| CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER | | |
| Officer Title | Comments Sought | Comments included |
| Borough Solicitor & Secretary | No | No |
| Chief Finance Officer | No | No |
| Best Value Unit | Yes | Yes |
| Executive Member | Yes | No |
| Date final report sent to Constitutional Support Services | | |

Appendix B – Action Plan

| Recommendation | Response | Who | Deadline |
|---|--|------------------------|--------------|
| i. Improve telephone and electronic access to all services. | Resources moved to Environmental Call Centre to improve telephone access. Call Centre due to become corporate project 2003 onwards. | Call Centre Management | Completed |
| | ICT strategy being prepared for Department to meet government objectives for electronic service delivery | Departmental IT team | 2005 |
| ii. Review the approach of regulatory services to identifying the needs of all sections of the community and to targeting services at those in greatest need. | EH&TS are part of pilot for Southwark's Race Equality Scheme. Race Impact Assessments being drawn up with support from Environmental Development Team and CIDU | EHTS manager | Ongoing |
| iii. Develop a more comprehensive enforcement policy that covers all regulatory services, supported by separate policies for different service areas. | Top-level policy produced and has been consulted on with stakeholders. Applicable to all regulatory services, but currently used only in EHTS. | EHTS manager | Completed |
| | Functional policies being developed | EHTS Unit managers | 30 June 2003 |

| Recommendation | Response | Who | Deadline |
|--|---|--|----------------------------|
| iv. Seek councillor approval for a set of priorities for enforcement activity, appropriately resourced to deliver targeted proactive work and inspection programmes. | Executive item to be prepared subject to Member agreement at Executive on 25 March 2003 | EHTS manager | As determined by Executive |
| v. Complete the restructuring of environmental health and trading standards services, ensuring that the objectives of the improvement plan are delivered, including more joined up regulation. | Restructuring process begun division-wide. | Relevant Heads of Service and Business Unit Managers | 31 May 2003 |
| | Options for joined-up regulation identified and acted upon | Relevant Heads of Service and Business Unit Managers | 30 September 2003 |
| vi. Ensure that all regulatory services projects and initiatives have clearly defined outcome-based objectives and targets to prevent duplication of effort and allow effective monitoring of performance improvements for the public. | All Unit workplans to identify outcome-based objectives and targets to prevent duplication of effort and allow effective monitoring of performance improvements for the public. | Unit Managers | 1 April 2003 |
| vii. Promote to councillors and users actions taken to improve the delivery of services, including outcomes from joint-working. | Executive item to be prepared subject to Member agreement at Executive on 25 March 2003 | HoS/EHTS manager | As determined by Executive |

| Recommendation | Response | Who | Deadline |
|--|---|--------------|----------------------------|
| viii. Report regularly to councillors on progress in recruitment and retention of staff and its impact on service delivery and in particular inspections performance | Executive item to be prepared subject to Member agreement at Executive on 25 March 2003 | EHTS manager | As determined by Executive |
| ix. In light of the concerns we have about performance in food safety and occupational health and safety, we will be re-inspecting these services in 12 months time. The scope of this will include delivery of inspection and education programmes and enforcement activity | Action plan being worked up. Resources being redirected into Unit from elsewhere in EHTS. Restructuring underway to ensure that the Unit can deliver on Food Standards Agency requirements. | EHTS manager | Winter 2003 |

Appendix C

Regulatory Services: Commercial Environment and Living Environment January 2003