

## ABERDEEN CITY COUNCIL

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COMMITTEE	Communities, Housing and Infrastructure
DATE	29 <sup>th</sup> August 2017
REPORT TITLE	Proposed Formal Joint Working Partnership of North Scotland Trading Standards Services
REPORT NUMBER	CHI/17/187
INTERIM DIRECTOR	Bernadette Marjoram
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### **1. PURPOSE OF REPORT:-**

To update Elected Members on the discussions taking place between local authorities in the north of Scotland with a view to the creation of a Formal Joint Working Partnership of North Scotland Trading Standards Services and to seek members permission to continue participating in these discussions. In the face of ongoing national discussions on the future of the delivery of the TS function, the Chief Executive requested that we explore the possibility of a Joint TS Service in the North with our neighbouring authorities. This report outlines the results of those discussions to date.

### **2. RECOMMENDATION(S)**

- (a) Note the terms of the report and the timetable set out;
- (b) Authorise officers to continue with this discussion with a view to agreeing detailed collaborative working arrangements which will be the subject of a further report to Committee seeking approval of the same.

### **3. BACKGROUND/MAIN ISSUES / OTHER HEADINGS AS APPROPRIATE**

- 3.1 In January 2013 Audit Scotland produced a report entitled 'Protecting Consumers'<sup>1</sup> which examined the delivery of the statutory weights and measures (Trading Standards ('TS')) function across Scotland. The findings were not positive. These were outlined to Elected Members in May 2013 in

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<sup>1</sup> Audit Scotland report "Protecting Consumers", January 2013, see: <http://www.audit-scotland.gov.uk/report/protecting-consumers>

the report entitled 'Audit Scotland 2013 report into Scottish Local Authorities Trading Standards and Food Safety Services', report number H&E/13/023. Audit Scotland found the decrease in trading standards staff in Scotland between 2008 and 2012 was 15% compared to 10% for Scottish local authorities as a whole. Similarly, the Chartered Trading Standards Institute (CTSI) found the situation continuing to deteriorate with a further 11.5% decrease in staff numbers across the UK between March 2014 and 2016<sup>2</sup>.

3.2 The Audit Scotland report concluded that: "...the long-term viability of councils' Trading Standards services is under threat and urgent action is needed to strengthen protection for consumers". The report recommended that "COSLA and councils should work together to ensure strong national coordination for trading standards in Scotland" and "...in developing arrangements for national coordination, explore a full range of options for redesigning trading standards services, including:

- greater use of more formal joint working
- creating fully shared services
- establishing a national service."

3.3 In response, COSLA set up the TS Strategic Review Group to take forward a review of services across Scotland: a main theme is the need for increased voluntary collaboration between local authorities.

3.4 COSLA leaders agreed to the following actions recommended by the Review Group:

3.4.1 Mandate to the Improvement Service a design exercise to scope up the precise number and configuration of regional services; and,

3.4.2 Agree that a report be brought back to Leaders providing more detailed information on the developing regional arrangements, once this design exercise is complete.

3.5 The Improvement Service (IS) is now working on this exercise, along with the Society of Chief Officers of Trading Standards in Scotland (SCOTSS). It unclear what the outcome of this will be and what COSLA leaders will decide. There is not yet consensus on the best way forward. It should be pointed out that the four members of the Scottish Local Government Partnership (SLGP) have also been consulted on these IS/SCOTSS discussions.

3.6 The North authorities have participated throughout in these national developments and continue to do so. However, the Strategic Review is an ambitious project with a significant risk that it will not come to fruition. Accordingly, there is a mood in the North to explore possible formal joint

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<sup>2</sup> [CTSI Workforce Survey 2016](#)

working arrangements between authorities and informal discussions were held between local authority TS services to explore options for mutually-beneficial collaboration.

### **Guiding Principles**

- 3.7 A working group of North authorities was set up in early 2017. Three meetings have been held, attended by the TS Managers from each authority and several of their Heads of Service. Authorities represented at these meetings were: Aberdeen, Aberdeenshire, Argyll & Bute, Highland, Moray and Orkney. Invitations were extended to TS services in the Western Isles, Shetland and Angus Councils;
- 3.8 The following aims and principles were agreed by the meeting attendees:
- 3.8.1 The aim is to pool resources and expertise, increasing resilience and sharing knowledge which will ultimately produce better outcomes for consumers and legitimate businesses;
  - 3.8.2 Councils will maintain control over their budgets and staffing to avoid pitfalls that have derailed previous attempts to create shared TS services. Each authority will contribute resources appropriately and equitably to add value to the partnership, helping ensure service delivery is improved across all areas;
  - 3.8.3 The collaborative working is proposed to consolidate fragile services and not as a cost saving initiative.

### **Overview of Proposals**

- 3.9 The following were seen as the main drivers for this initiative:
- 3.9.1 Individual Councils struggle to maintain full TS capability and expertise, trying to deliver a broad range of functions requiring diverse knowledge, skills and equipment;
  - 3.9.2 Workforce planning in small units is very difficult, exacerbated by ageing workforces;
  - 3.9.3 Underpinning the first two points are the continually contracting budgets (as evidenced above) facing TS services which have led to the situation where some services in Scotland are unable to discharge their statutory duties as a local weights and measures authority;
  - 3.9.4 From an operational perspective, much consumer and business detriment stems from doorstep crime, mass marketed scams and manufacture and distribution of counterfeit and unsafe goods, which can be tackled more effectively by neighbouring authorities working together.
- 3.10 The benefits to be gleaned from working together have been identified as:

- 3.10.1 Improved effectiveness through formal partnership working and sharing of expertise;
- 3.10.2 Ability to promote consistency through common procedures, policies, service plans and alternative enforcement (e.g. projects, etc.);
- 3.10.3 Increased capacity to deal with wider issues and targeted enforcement through the pooling of resources and lead officer arrangements;
- 3.10.4 Improved workforce development through better coordination of training opportunities for existing staff and consideration of the potential for sharing the costs associated with employment of trainee Trading Standards Officers;
- 3.10.5 Opportunities for procurement efficiencies (e.g. calibration and test services, sharing equipment, on-line reference material subscriptions etc.)

### **Specific Collaboration Proposals**

3.11 After determining the guiding principles, the TS Managers and Heads of Service considered a range of specific ideas to increase collaboration. The most important of these are the following:

- 3.11.0 Formal political oversight of the new service is thought essential and could be achieved through the establishment of a joint committee comprising of Elected Members from all participating authorities. Each Authority would delegate responsibility for trading standards to the joint committee. The joint committee could follow the model of that adopted for the North Joint Committee for Roads Collaboration. It may be possible to combine with this existing structure but it is thought more likely to be appropriate, given the greater collaboration being proposed, to form a separate, standalone joint committee. It is anticipated that the committee would meet about twice a year. Detailed proposals will include a mechanism for agreeing funding decisions and for resolving competing demands between the Joint Committee and individual Councils. This may include a requirement for participating Councils to consider the regional impact of decisions;
- 3.11.1 Under the political group would be an operational management group consisting of officers from all the participating authorities. These officers would be TS professionals, probably the TS Manager for the authority, with options for reserve attendees where necessary. This group would meet more regularly, at least quarterly;

- 3.11.2 The production of an overarching Operational Service Plan applicable to all participating authorities is seen as a key part of any effective formal joint working partnership. The Plan would seek to combine work activities with a view to creating a consistent and consolidated approach across the participating authorities as far as is possible and desirable. However, the Plan will be drawn up in such a way as to allow member Councils to adopt differences of approach and resource allocation where local priorities dictated. The scope of the plan would include 'core' TS functions (typically those placing a statutory duty on the local weights and measures authority) and include consumer advice, but would exclude animal health, money advice, licensing standards and taxi licensing;
- 3.11.3 The establishment of a common set of operating policies across areas of activity, e.g. one Enforcement Policy; one Consumer Advice policy; Standard Operating procedures for Doorstep Crime and e-Crime;
- 3.11.4 Launching an early workforce planning initiative to map out the strengths, weaknesses and skills gaps across the constituent authorities, followed by a coordinated training programme. Workforce Planning is very difficult within small groups of staff but is feasible given the larger workgroup within collaborating authorities;
- 3.11.5 Exploring a joint intelligence capability to effectively direct resources at issues causing most detriment within member authorities. This is particularly relevant to regional issues, such as itinerant rogue traders, counterfeit goods and mass marketed scams;
- 3.11.6 The pooling of expertise: setting up procedures whereby different areas of subject-matter expertise are shared on a reciprocal basis among authorities, e.g. one authority may specialise in e-crime, another in product safety;
- 3.11.7 The sharing of physical resources: e.g. one authority may have a Bulk Fuel tanker meter, while another may have up-to-date specialist surveillance equipment;
- 3.11.8 Setting up reciprocal arrangements for the authorisation and sharing of staff: e.g. to assist an authority when a large and complex investigation requires more officers for a short time;
- 3.11.9 Increasing the number of enforcement projects and other joint initiatives and ensuring their impact is maximised.

### 3.12 Timetable

The following possible milestones have been identified:

<b>Milestone</b>	<b>Date</b>
Councils agree principles of collaborative working and to proceed to development of detailed collaborative working arrangements and production of a joint service plan.	August 2017
Councils agree detailed collaborative working arrangements, joint service plan and establishment of Joint Committee.	December 2017
First meeting of Joint Committee to consider and agree service plan.	February 2018
Collaborative working arrangements established.	April 2018

## 4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications to consider over and above the existing TS budget. There is no request for additional funding to create this joint service. Indeed, the aim is simply to do more with what we have.
- 4.2 This Joint Service proposal has sought to avoid the issues that derailed the Integrated Shared Trading Standards Service proposal between Aberdeen City Council and Aberdeenshire Council in 2010. On that occasion the cost of fusing two services back together was seen by Elected Members as prohibitively expensive. This proposal suggests no such fusion, merely the co-ordination of existing resources to our mutual benefit.
- 4.3 The current net TS budget for Aberdeen City is £965,557 which amounts to 1.12% of the overall CH&I budget or 0.21% of the overall Aberdeen City Council budget.

## 5. LEGAL IMPLICATIONS

There are no legal implications with this proposal. The use of formal working arrangements between local authorities is well established. This would simply be another example.

Each authority would maintain its status as the 'local weights and measures authority' and could consider authorising the officers of the participating services to act as such in each of their jurisdictions. The concept of lawfully authorised officers being able to act as such in other authorities is set out in the Consumer Rights Act 2015; para.44, Schedule 5.

## 6. MANAGEMENT OF RISK

The group considered the risks associated with the initiative: both in terms of increasing collaboration and of doing nothing. These are categorised as required below.

## 6.1 Financial

6.1.1 If individual authorities participating in the joint arrangement cut budgets then they may not be able to contribute appropriately to partnership working resulting in their exclusion from the partnership;

6.1.2 Participating authorities could consider setting TS budgets for a fixed period to allow the Joint Service to take shape.

Councils consider consulting the Joint Committee during budget setting process and to consider the response.

6.1.3 Individual Councils are less resilient to budget cuts and as a result may lose the organisational competence to deliver a TS service leading to breach of statutory duty.

This may necessitate an increase in TS budgets to ensure statutory duties can be fulfilled;

6.1.4 If Councils do not collaborate, they may be unable to finance, recruit and develop new staff to deal with an expected exodus of older staff reaching retirement age, leading to staff shortages.

As a result, more resources would have to be allocated for recruitment and training.

## 6.2 Employee

6.2.1 If participating authorities currently have differing priorities and approaches, then officers who are required to change may have difficulty accepting that change. With agreed priorities may come the need for additional training and/or mentoring to allow colleagues to adapt to the changes;

6.2.2 In any new arrangement, if officers across the joint service staff have different pay and service conditions, this may damage staff morale of those who consider they have inferior terms. In mitigation for this point, it must be noted that pay rates and conditions of service are set by the employing authority not the Joint Committee;

6.2.3 If Councils do not collaborate, they will not be able to maintain the specialist knowledge and skills required to deliver the wide range of Trading Standards duties. The workforce would need to increase to ensure sufficient number of officers with specialist knowledge and skills.

## 6.3 Customer / Citizen

There are no risks to customers or citizens associated with Elected Members considering and agreeing to the recommendations of this report.

#### 6.4 Environmental

There are no environmental risks associated with Elected Members considering and agreeing to the recommendations of this report.

#### 6.5 Technological

There are no technological risks associated with Elected Members considering and agreeing to the recommendations of this report.

#### 6.6. Legal

There are no legal risks associated with Elected Members considering and agreeing to the recommendations of this report.

### 6.7 Reputational

6.7.1 If participating authorities can't agree with the Joint Committee on Service Plan priorities, this could signal the end of this collaboration. The Joint Committee provides a forum for resolving differences. To mitigate this risk, participating authorities should give consideration to merging existing local priorities, national priorities from the Consumer Protection Partnership and Trading Standards Scotland leading to convergence.

The joint service plan will be intelligence led providing a sound evidence base for the plan. Local issues will feed into the intelligence led approach. It will also reflect the statutory Market Surveillance role services have under Legal Metrology and Product Safety law;

6.7.2 If the proposed partnership arrangement cannot demonstrate positive outcomes for each Council, then Councils may reduce funding or, more likely, withdraw from the arrangement. The APSE performance measures provide output measures (but not outcome measures) and it would be the intention to use these to demonstrate joint service improvements through comparison with the 2016-17 figures as a baseline. These will be provided on a Council by Council basis;

6.7.3 If the proposals do not recognise the difficulties experienced by previous attempts to work collaboratively, then the participating authorities may make the same mistakes. The difficulties experienced by previous Shared Service proposals have informed this process with a view to avoiding repeating them;

6.7.4 If the participating authorities choose not to collaborate in some form or other, or at least examine the possibilities associated with collaboration and the efficiencies it could bring, they will be open to

criticism for not responding to the Audit Scotland report suggesting a joint or collaborative approach, leading to reputational damage.

## **7. IMPACT SECTION**

### **7.1 Economy**

The Strategic Business Plan requires us to make better use of our resources by modernising and innovating service delivery so we produce better outcomes not just outputs. The principle aim of this joint initiative is to do more and achieve more with our existing resources by pooling these resources and our collective expertise. This way we can upskill colleagues and better co-ordinate and deploy resources to deal with threats to consumers and local businesses. With a wider pool of expertise we can improve the experience of trainee officers as they progress through the professional qualification.

The benefit for local businesses will be that we are better able to answer their questions and respond to their requests for help with compliance matters because we will have a wider pool of expertise to tap into.

### **7.2 People**

With respect to this authority's responsibility to its Equality Outcomes policy, the proposed terms of this joint service delivery will impact on all communities equally.

It is unlikely city residents would be aware of any change to the structure of service delivery as it should not reflect any change in service delivery itself. However, the move to a Joint Service should see an overall improvement in the service as we are able to make use of the expertise and resources of other participating services as they are similarly able to benefit from ours.

### **7.3 Place**

There is no environmental impact associated with this report.

### **7.4 Technology**

This proposal will have no impact on the technology used by this service, although if a joint service is ultimately implemented, it is anticipated that there will be opportunities for efficiencies and improvements in service delivery through the sharing of information and shared use of new technology

## **8. BACKGROUND PAPERS**

Aberdeen City and Shire Shared Services Board, 21st April 2010; Shared Services – Trading Standards; this document is available upon request from Trading Standards

Business Case for an Aberdeen City and Aberdeenshire Shared Trading Standards Service, April 2010; this document is available upon request from Trading Standards

Audit Scotland report "Protecting Consumers", January 2013, see: <http://www.audit-scotland.gov.uk/report/protecting-consumers>

'Audit Scotland 2013 report into Scottish Local Authorities Trading Standards and Food Safety Services', report number H&E/13/023.

<http://councilcommittees/ieListDocuments.aspx?CId=144&MId=2565&Ver=4>

**9. APPENDICES (if applicable)**

Not Applicable

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