

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 12 June 2013

MKIP - ENVIRONMENTAL HEALTH SHARED SERVICE

Issue for Decision

To consider whether to enter into a shared service arrangement for Environmental Health with Swale and Tunbridge Wells

Decision Made

1. That approval be given in principle for the creation of a shared Environmental Health Service between Maidstone, Swale and Tunbridge Wells Borough Councils.
2. That a two site model, located at Swale and Tunbridge Wells, with a single shared Environmental Health Manager be developed as the preferred model, with the stipulation that Maidstone be treated as a single territory for the delivery of its food and commercial premises inspections.
3. That an interim Shared Environmental Health Manager be appointed for a period of 6 months to develop the organisational and operational arrangements for the shared service, including identifying the financial implications of the model and reviewing the service delivery arrangements for premises inspections and environmental permitting for the partnership as a whole.
4. That Overview and Scrutiny be invited to comment on the proposed operational model for the shared service before final approval and that delegated authority for this decision be given to the respective portfolio holders for Environmental Health at each authority.

Reasons for Decision

Business Case and Preferred Model Assessment

A shared service business case (set out at Appendix 3 of Appendix A to the report of the Director of Change, Planning and the Environment) for Environmental Health has been produced using the new gateway model of decision making (set out at Appendix 1 of Appendix A to the report of the Director of Change, Planning and the Environment). The purpose of the new model was to speed up the decision making process as trust has built

up in shared services as a viable delivery method for council services that delivers service improvements, resilience and savings.

The MKIP Board approved the business case report for Environmental Health at their meeting in March 2013, recommending to the Cabinets that a shared service be approved in principle and a shared manager be appointed. However, due to wider partnership considerations the Board did not agree which of the two deliverable models put forward by the project team would be the preferred model.

In order to take a recommendation on preferred modelling forwards, additional discussions on the strategic merits of the models have taken place with Chief Executives. The highest scoring model in the business case is one site, with a two site model also considered to be deliverable and both scored highly enough to be acceptable models. Crucially, no fundamental technical or operational reason has been identified to prevent an Environmental Health shared service.

The vision for the shared service, which is not reliant on the delivery model, involves enabling staff through the use of ICT systems and mobile working technologies that will change the way in which Environmental Health will be delivered. Joined up ICT systems will be crucial to ensuring that resilience, the primary objective of forming a shared service, is improved and service quality is maintained in the short term and improved as the service is developed. A joint procurement exercise for a planning and environmental health system across the three partners is underway and will support the delivery of the shared service.

In order to produce a successful shared service and to ensure delivery from the investment made by MKIP authorities performance management will be integral to service delivery. Embedding that approach and culture into the team is a crucial part of forming the shared service and robust service level agreements will underpin the service. Performance reporting will be done individually to each authority, sharing performance indicators where suitable but allowing for bespoke local indicators as required. Benchmarking versus pre-shared service performance will be undertaken to ensure that service levels are maintained or improved for each authority and their customers.

There are several strategic factors that impact on the relative scoring each authority gives to the assessed models produced in the business case:

- The functions that have been included for that authority, for example, Environmental Enforcement functions for Tunbridge Wells and the political and strategic importance of those functions
- The relative impact of moving staff out of each borough when viewed alongside other shared services and staff transfers
- The need to deliver a consistent and resilient service for each partner

MKIP has recognised that as more services are shared the relative impact of shared service staffing arrangements and management has

consequences for each authority. As the size of MKIP increases further it reaches a point (referred to as reaching 'critical mass') where these factors need to be considered and addressed. An MKIP project is underway to determine the future of MKIP's structure and look at the best ways of dealing with these issues. One such issue is the movement of staff out of an authority to another, such as with Human Resources (Swale) and ICT (Swale and Tunbridge Wells) staff moving to Maidstone as their employer and changing location reducing bodies 'on the ground'. Without having fully assessed these impacts before the completion of the MKIP Employment Model project the relative impacts are being managed by each authority and factored into their own strategic thinking on shared services.

As a result the preference from Swale and Tunbridge Wells was for the two site model of operation. However, this model as proposed in the business case raises operational risks for Maidstone in the delivery of its food and commercial function. As a result it has been agreed that the only way in which Maidstone would find the two site model acceptable would be for the delivery of its food and commercial functions to be from one of the sites and not split across two.

Making the operational change for Maidstone improves the relative merits of the two site model for Maidstone. However, additional work will need to be carried out to fully assess the impact of the changes on the model put forwards in the business case. In principle two sites can be agreed, with the Chief Executives, in consultation with Leaders, approving the final operational model of the service. The project team supporting the Shared Environmental Health Manager will need to prioritise this work.

A crucial part of this work will be determining contracting arrangements for the Food and Commercial functions. Currently, Swale contract out lower risk premises inspections and the contract can be reviewed in August 2013. Whether the service is brought back in house, or one or more of the partners joins the contracting arrangement will have an impact on how services are delivered from the two sites.

The business case set out at Appendix 3 of Appendix A to the report of the Director of Change, Planning and the Environment is the business case approved by the MKIP Board in March 2013. Since that meeting the work on determining the model and more information being available from the ICT procurement project have caused amendments to the business case. These are summarised in Appendix 2 of Appendix A to the report of the Director of Change, Planning and the Environment.

Project team and staff involvement

The Environmental Health project team consists of:

- Director of Development and Environment – Jonathan MacDonald (project sponsor)
- Assistant Director/Heads of Service for Environmental Health – Steve Goulette, Brian Planner and Gary Stevenson
- Environmental Health Manager – Tracey Beattie

- Human Resources Manager – Nicky Carter
- Financial Business Analyst – Denise Johnson; and
- MKIP Programme Manager – Ryan O’Connell

Staff were engaged early in the process with the aim of bringing them on board with the potential change at the pace demanded by the new gateway model. It needs to be recognised that staff do not have direct experience of delivering shared services to draw from when carrying out the speedier gateway model and the management of this is a key area of learning for the new model.

Numerous comments, concerns and issues have been raised by staff as part of this process. These are captured in Appendix D to the business case (Appendix 3 of Appendix A to the report of the Director of Change, Planning and the Environment). It is fully expected that staff would raise concerns with any change proposals of this nature and it needs to be considered that the staff have personal as well as service consequences to consider. As shown in Appendix D to the business case staff have carried out significant work of their own volition and have engaged constructively with the process. All staff comments and views that have been submitted to the project team were available for the Cabinet to view on request.

Alternatives considered and why rejected

Alternatives are considered in the business case. Two viable models were assessed and produced and for the strategic reasons outlined in this report the 2 site model is recommended. However, as further work is required on the operation of the two site model it is recommended that the decision to enter into a shared service be in principle and the outcome of the interim Environmental Health Manager’s work be reported to portfolio holders for final approval.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: 21 June 2013
