

# AGENDA

## COMMUNITIES, HOUSING AND ENVIRONMENT COMMITTEE MEETING



Date: Wednesday 22 February 2017

Time: 2.00 pm

Venue: Town Hall, High Street,  
Maidstone

Membership:

Councillors Barned, M Burton, Joy, D Mortimer  
(Vice-Chairman), Perry, Mrs Ring  
(Chairman), Mrs Robertson, Webb and  
Webster

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Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members

**Continued Over/:**

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**Issued on Tuesday 14 February 2017**

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact Caroline Matthews on 01622 602743**. To find out more about the work of the Committee, please visit [www.maidstone.gov.uk](http://www.maidstone.gov.uk)

*Alison Broom*

**Alison Broom, Chief Executive, Maidstone Borough Council,  
Maidstone House, King Street, Maidstone Kent ME15 6JQ**

5. Disclosures by Members and Officers
  6. Disclosures of Lobbying
  7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
  8. Presentation of Petitions (if any)
  9. Questions and answer session for members of the public (if any)
  10. Report of the Head of Housing and Community Services - Single Employing Authority for Mid Kent Environmental Health Service
- 1 - 16

## Communities, Housing & Environment Committee

**22 February 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

### Single Employing Authority for Mid Kent Environmental Health Service

<b>Final Decision-Maker</b>	Communities, Housing and Environment Committee
<b>Lead Head of Service</b>	John Littlemore, Head of Housing and Community Services
<b>Lead Officer and Report Author</b>	Tracey Beattie – Mid Kent Environmental Health Manager
<b>Classification</b>	Public
<b>Wards affected</b>	All

**This report makes the following recommendations to the final decision-maker:**

1. That staff within the Mid Kent Environmental Health Service move to a single employing authority from 1 June 2017.
2. That Tunbridge Wells BC becomes the single employing authority for Mid Kent Environmental Health.
3. That delegated authority be given to the Director of Regeneration and Place in consultation with the Chairman of the Communities, Housing and Environment Committee to finalise the arrangement and sign any documents necessary to implement the decision.

**This report relates to the following corporate priorities:**

- **Keeping Maidstone Borough an attractive place for all** - protecting the public through the wider determinants of health through pollution prevention control, air quality, contaminated land, food safety and health and safety.
- **Securing a successful economy for Maidstone Borough** - by providing a wide ranging and highly skilled professional workforce to provide business with advice, guidance and appropriate enforcement proportionate to risk.

**Timetable**

<i>Meeting</i>	<i>Date</i>
Communities, Housing and Environment Committee	22 February 2017

# Single Employing Authority for Mid Kent Environmental Health Service

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report proposes the introduction of a single employing authority for staff within the Mid Kent Environmental Health (MKEH) service from 1 June 2017 and recommends that Tunbridge Wells Borough Council becomes the single employing authority.
- 1.2 Since MKEH has been formed it has become clear that adopting a single employer would help with the management and development of the service. A single employer provides equality, fairness and consistency of terms and conditions across the service for officers.
- 1.3 Of the options available, adopting Tunbridge Wells as the single employer will see a greater proportion of existing staff opting to move to TW terms and conditions compared to the other authorities and consequently a more consistent approach for HR and H&S processes for officers within the service.
- 1.4 Adopting Tunbridge Wells as the single employing authority for Mid Kent Environmental Health provides an opportunity to spread employment and financial risk amongst all three authorities for the range of shared services.
- 1.5 The proposal does not change the way in which the service is delivered through the two site model. Nor is the structure being changed significantly as the current arrangement has delivered the expected benefits and worked to the advantage of each authority. Hence any consolidation to a single employer would be via a TUPE transfer (Transfer of Undertakings (Protection of Employment) Regulations) arrangement.
- 1.6 This would mean that all MKEH staff will become the employees of Tunbridge Wells BC, but be given the opportunity to choose to transfer to the Tunbridge Wells' terms and conditions or remain with their existing terms and conditions. Going forward, all new staff appointments will join on Tunbridge Wells' terms and conditions.
- 1.7 Through a reduction in staff costs which are already planned, the move to Tunbridge Wells BC as the single employing authority can be achieved without any net increase in cost to the three authorities.

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## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Tri-Cabinet recommendation made on 12 June 2013 was that "Environmental Health Services be approved for a shared service amongst Maidstone, Swale and Tunbridge Wells Borough Councils; that an Interim Shared Environmental Health Manager be appointed to develop the shared service; that a two site model be approved with the stipulation that Maidstone be treated as a single territory for the delivery of its food and

commercial premises inspections; and that the final operational model of the service, be delegated to the portfolio holders for Environmental Health at each authority”.

- 2.2 The business case for the shared service centred on providing resilience, quality, and efficiencies within the current service costs. The decision to use a single authority as the employing authority was not taken at this time.
- 2.3 As a result, the Mid Kent Environmental Health service (MKEH) was established and went live in June 2014. It operates from two sites - the Sittingbourne and Tunbridge Wells’ offices. The organisational arrangements of the service are detailed in appendix A.
- 2.4 The MKEH service has provided resilience for the three organisations through its ability to deliver frontline statutory services in the face of long term sickness absence, recruitment and retention gaps, whilst dealing with a number of significant and complex legal cases. Officers have been able to work across each authority and, crucially, support each other during these periods, sharing expertise and providing cover to continue the delivery of the day to day service.
- 2.5 However, the future of local government in the medium and long term pose considerable challenges, with central government reviewing how regulatory services are delivered and a thirst to reduce red tape and the impact of regulatory service on the business sector. MKEH therefore needs to be in a strong position to address these changes and moving to a single employing authority for officers will provide a robust platform from which to meet them as well as the flexibility to enhance the service and deliver further efficiencies.
- 2.6 All the other shared services within MKS have either been established as a single employer or migrated to one within two to three years of being established; Audit, ICT, Planning Support and HR to Maidstone BC, Legal to Swale BC. Revenues and Benefits have a strategy to move employment to Maidstone through a mechanism that whenever there are leavers in the service they are recruited on Maidstone terms and conditions, irrespective of which site they are based at. It should also be noted that the rationale for such changes has not always been financial savings. The creation of some of the MKS shared service single employer arrangements have been made for operational purposes.
- 2.7 Within MKS, the spread of shared services lean towards Maidstone, which has to date taken most of the responsibility for the Mid Kent Improvement Partnership employee liabilities, financial risk, and HR burden.
- 2.8 There will also be an initial increase in cost due to changes in terms and conditions and the protection that TUPE provides officers moving to another employer. The MKEH Collaboration agreement provides a formula of splitting the cost of the service based on service delivery and demands, the changes in costs are summarised in the following table and paragraph.

2.9 The changes in costs are summarised in the following table and represent the total additional cost to the Partnership over present costs for three years:

**Table 1: Summary of Comparative Costs Changes for MKEH based on each authority acting as Single Employer over the period 2016/17 to 2018/19**

<b>Single Employer Authority</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Total across partnership</b>
<b>TWBC</b>	23,140	17,850	18,490	<b>59,480</b>
<b>MBC</b>	-1,180	-430	400	<b>-1,210</b>
<b>SBC</b>	6,440	13,250	26,240	<b>45,930</b>

2.10 The figures above for Maidstone BC becoming the single employer reflect a situation where there is no movement of staff from Swale BC and Tunbridge Wells BC to Maidstone terms and conditions.

2.11 If Swale were to become the single employer, the costs are lower overall than for Tunbridge Wells due to fewer employees likely to transfer to Swale BC under TUPE.

2.12 However, neither option achieves the important aim of spreading the MKS employee liabilities, financial risk and HR burden as evenly across all three authorities as the option for Tunbridge Wells to become the single employer does.

2.13 In this scenario, the average annual increase in budget for all three councils as a result of moving to Tunbridge Wells as the single employer is £19,800 allocated as; Maidstone BC: £6,300, Swale BC £5,800, Tunbridge Wells BC: £7,700.

2.14 In the proposals set out below, this increase will be offset through the reduction in establishment (deletion of a composite of nearly 1 FTE) that results in annual savings of £22,000. As such, there will be no increase in cost for any of the authorities as a result of the move.

2.15 The changes between 2017/18 and 2018/19 are not additional costs but total costs above the current base budget for these years. For Tunbridge Wells as single employer year increase is £640 between 17/18 and 18/19, for Maidstone £830, and Swale £12,990.

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### **3. AVAILABLE OPTIONS**

3.1 Option 1: That the officers within Mid Kent Environmental Health move to a single employing authority from 1 June 2017; that Tunbridge Wells Borough Council be the single employing authority; and that the Swale and Maidstone Environmental Health staff will choose to move to the Tunbridge Wells BC terms and conditions, subject to consultation and agreement. The

date for transfer will allow TUPE, financial and HR processes to be undertaken.

Although not the lowest cost option the proposal does provide the best risk management benefits to the MKS partnership by spreading the risk across the three authorities and the cost will be met through current vacancies.

Given that TUPE will apply to the transfer of officers to any single employer, Tunbridge Wells presents the option that many officers will find preferable and therefore the option which is likely to see more officers choosing to transfer from their current employer under TUPE agreement. This will enable management to have a greater level of consistency across the service and progress the service aims identified in the Collaboration agreement for Environmental Health.

- 3.2 Option 2: That the MKEH officers move to Maidstone Borough Council as the single employing authority. Whilst this option provides the lowest financial cost to the shared service this option is not recommended as it reinforces the position of Maidstone BC taking virtually all the financial and employment responsibility and risks within MKS.
- 3.3 Option 3: That MKEH officers move to Swale BC as the single employing authority. Whilst this option provides some further spread of financial and employment risk within MKS than Option 2, this option is not recommended as it also does not spread that responsibility and risk to include Tunbridge Wells BC and it does so at a higher cost than for Maidstone BC lone.
- 3.4 Option 4: Establish one council, Tunbridge Wells as the single employing authority for all new staff recruited to MKEH, making no changes to the employing authority arrangements for existing staff. This option is not recommended as this would be a slow process of movement to the new authority and likely to take considerable time to achieve a single employer for the service.
- 3.5 Based on 2016/17 the service has seen two vacant posts occur and current employee posts across the service stands at 38. This will not therefore provide level of simplification of the management and financial processes desired as quickly as option 1 or options 2 and 3.
- 3.6 Option 5: Make no change to the employing authority of officers and continue the service as it is. This option is not recommended as it fails to address the issue of overall employment and financial risk within MKS, provide management efficiencies or address inequalities of salary between officers carrying out the same work within the one service.

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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 The preferred option is Option 1, that officers within Mid Kent Environmental Health move to a single employer from 1 June 2017; Tunbridge Wells Borough Council be the single employing authority, and that the Swale and Maidstone Environmental Health staff will be given the opportunity under TUPE to choose whether to move to the Tunbridge Wells BC terms and

conditions, subject to consultation and agreement. The proposed date for transfer will allow for TUPE, financial and HR processes to be undertaken.

- 4.2 Given that TUPE applies to the transfer of officers to any single employer, Tunbridge Wells BC presents the option that many officers will find preferable, and therefore the option which is likely to see more officers choosing to transfer from their current employer under TUPE agreement. This will enable management to have a greater level of consistency across the service, and progress the service aims identified in the Collaboration Agreement for MKEH.
  - 4.3 Although not the lowest cost option, the proposal does provide the best risk management benefits to the MKS Partnership by spreading the employee liabilities, financial risk, and HR burden across the three authorities. Plans are already in place for any increase in cost to be met through a reduction in staffing
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## **5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 5.1 MKEH employees are aware that consideration is being given to move to a single employing authority and are aware that a formal consultation process on the implications will be held following a decision at the co-located meeting.
  - 5.2 The MKEH Manager has met with senior management at each of the three authorities to discuss the underlying organisational, management and risk mitigation reasons for the proposed single employing authority. This report reflects the useful advice and feedback provided in those meetings.
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## **6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 6.1 Subject to the agreement of recommendations through the three Councils decision making bodies, staff will be informed of the latest position, and the proposals will be formally presented to them through the well established consultation policies and processes in each authority, with a view to the new arrangements being in place on 1 June 2017.



## 7. CROSS-CUTTING ISSUES AND IMPLICATIONS

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Legal</b> including Human Rights Act	There is an existing collaboration agreement covering the service which can be varied, subject to sign off by the Shared Service Board. Legal will work with the Head of Service to finalise the variation to that collaboration agreement to reflect the decisions in this report.	Estelle Culligan, Interim Head of Legal Partnership
<b>Finance</b> and other resources	The average annual increase in budget for all three councils as a result of moving to Tunbridge Wells as a single employer is £19,800 allocated as: SBC £5,800; MBC: £6,300; TWBC: £7,700	Mark Green, Director of Finance and Business Improvement
<b>Staffing establishment</b>	There would be changes for staff as a result of this proposed transfer, in terms of management processes. Staff would be offered the opportunity to transfer to Tunbridge Wells' terms and conditions, but could opt to retain Maidstone or Swale terms and conditions if they prefer, which would mean additional work for HR and Payroll teams to manage those differences, but this could be managed within current resources.	Mark Green, Head of Finance and Business Improvement
<b>Risk management</b>	Operational risks will be reduced by transferring MKEH employees to one employer and with TWBC as the single employer it will assist in sharing risks across the MKIP	Tracey Beattie Mid Kent Environmental Health Manager
<b>Environment and sustainability</b>	None identified at this stage	Tracey Beattie Mid Kent Environmental Health Manager
<b>Community safety</b>	None identified at this stage	Tracey Beattie Mid Kent Environmental Health Manager
<b>Health and Safety</b>	The management of health and safety across the service will be simplified and a single consistent set of policies and procedures will be applied providing clarity for staff and managers.	Tracey Beattie Mid Kent Environmental Health Manager
<b>Health and wellbeing</b>	None identified at this stage	Tracey Beattie Mid Kent Environmental

		Health Manager
<b>Equalities</b>	None identified at this stage	Tracey Beattie Mid Kent Environmental Health Manager

## **8. REPORT APPENDICES**

The following documents are to be published with and form part of the report:

- Appendix A: **Supplementary information for Single Employing Authority Proposal for Mid Kent Environmental Health**

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## **9. BACKGROUND PAPERS**

Minutes of Tri-Cabinet Meeting of Maidstone BC Swale BC and Tunbridge Wells BC Wednesday, 12th June, 2013:

<https://services.maidstone.gov.uk/meetings/ieListDocuments.aspx?CId=146&MId=1924&Ver=4>

## **Supplementary information for Single Employing Authority Proposal for Mid Kent Environmental Health**

### **1. Aim**

- 1.1 The aim of this appendix is to provide additional information to support the report on the adoption of a single employing authority for the Mid Kent Environmental Health Service (MKEH). The purpose of adopting a single employer for the service is to provide an effective platform for future service development; to establish a fair, equitable and consistent employment terms for officers working within the same service.
- 1.2 There is no intention to change the current two-site model.
- 1.3 Consideration of a single employer for MKEH provides an opportunity for the MKS partnership to spread the employment and financial risks across all three authorities in order to counter any negative effects associated with one organisation bearing the burden of employing the majority of MKS staff.

### **2. Background**

- 2.1 Mid Kent Environmental Health service (MKEH) was established in June 2014, operating from two sites - the Sittingbourne and Tunbridge Wells' offices - and staff from both sites working from Maidstone to meet operational need, attend meetings, and liaise with Maidstone management and services.
- 2.2 The business case for the shared service centred on providing resilience, consistency, and efficiencies within the current service costs.
- 2.3 In terms of delivering resilience and efficiencies, there are numerous examples where each local authority has benefited from pooling their professional resource to ensure statutory responsibilities have been delivered. The two-site base for MKEH has worked well, with Maidstone providing an important central location for officers to work from when required to support service delivery at Maidstone and provide flexible and efficient use of officer time.
- 2.4 There are significant drawbacks to operating a shared service where the employees remain with their original employing authorities. Issues of consistency of pay scales, annual leave arrangements and employment processes, which mean that managers have to ensure that processes for each authority are followed. This is time-consuming for managers, and raises issues of equality between officers carrying out the same work but to different pay scales. Adopting a single employer will reduce these

management and cultural differences to help develop the one culture needed for future service progress.

### 3. MKS Priorities and Corporate Objectives

- 3.1 In 2015 the then Mid Kent Improvement Partnership (now Mid-Kent Services) Board reviewed the objectives and priorities for the partnership. The Board agreed the underpinning objectives of the partnership were; **resilience, savings and service quality.**
- 3.2 The priorities for the partnership were identified as;
- income opportunities;
  - cross-organisational working; and
  - digital transformation.
- 3.3 MKEH support the priorities of the three authorities through a range of core functions. This includes consulting on planning and licensing applications, monitoring air quality, private water quality and development of potentially contaminated land (MBC Priority 1: Keeping Maidstone an attractive place for all, SBC Priority Theme1: A Borough to be Proud of, TWBC Priority 3 A Green Borough).
- 3.4 By regulating in a consistent and transparent way we create a level playing field for businesses under food hygiene and health and safety legislation (MBC Priority 2: Securing a Successful Economy, SBC Priority Theme 2:A Community to be Proud of, TWBC Priority 1: A Prosperous Borough)
- 3.5 Moving to a single employing authority will support good governance and efficiencies reflected in SBC Priority Theme 3: A Council to be proud of, MBC STRIVE Values and the Medium Term Financial Strategy, and the TW Strategic Compass through managing public finance effectively.
- 3.6 Since its creation MKEH has already demonstrated resilience, savings and improved service quality since being established:
- (i) the completion of Maidstone’s private water quality risk assessments and return to the Department of Water Inspectorate during year 1;
  - (ii) completion of over 99% of food inspections across all three local authorities in year 2, and bringing in-house the food inspection programme completely during the same year;
  - (iii) the service has also maintained a planning consultation response rate of over 90% - within the target time of all authorities despite some long term absences, time-consuming prosecutions and other reactive demands on the service; and

- (iv) recruitment to a maternity cover post at Tunbridge Wells has provided the chance for a Swale employee to act up to the role of Food & Safety Team Leader, providing resilience and development opportunities within the service.
- 3.7 Since June 2014 the service has saved between £20,000 and £40,000 for each authority through officers working across boundaries to cover recruitment vacancies, long term sickness absences, and professional assistance for specialist work (approved food businesses, consultations for planning applications).
- 3.8 In December 2015 Swale's Food & Safety Team achieved successful sign-off from the Food Standards Agency audit, which lends support to the quality of the work delivered by officers and the management of the service by virtue of the fact that the same systems are in place across each team.
- 3.9 The initial FSA audit in 2012 identified a staffing under-capacity within the Swale Food & Safety Team which has been alleviated through the Partnership. This will result in an amendment being made to the percentage allocations of costs quoted in the report, which are based on the original Collaboration Agreement, resulting in an increase in costs to Swale BC.
- 3.10 Tunbridge Wells BC has relied on the expertise of officers from Maidstone and Swale for the delivery of the Pollution Prevention Control work from April 2016.
- 3.11 The service is continually looking at ways to streamline frontline processes to achieve efficiencies, and we have engaged in a number of digital transformation projects which will be completed in 2017. Efficiencies within the Administration Team have meant that the workload of a 0.6 FTE post has been absorbed into the existing team. This will provide some capability to finance the proposed move to a single employer, releasing £15,000 per annum to offset any additional costs, together with a review of a further admin vacancy to release a further £7,000. The change of establishment has only been achievable through the shared service and pooling resources.
- 3.12 Moving to a single employing authority will assist MKEH in its efforts to develop a single service culture, with a clear brand and a marketable product. This will be based on a reputation for delivering high quality professional standards. Possible income streams include providing specialist advice and expertise to other authorities, establishing primary authority arrangements with businesses, and maximising income generation for services that attract fees and charges.

#### **4. Current and Future Governance Arrangements**

- 4.1 The Mid Kent EH Manager reports directly to the Client senior managers appointed by the three authorities. The governance arrangements for the service are through the EH Shared Service Board, which meets quarterly and reports to the MKS Board.
- 4.2 The EH Manager has monthly 1-2-1 meetings with each Client managers; John Littlemore (MBC), Mark Radford (SBC), and Gary Stevenson (TWBC). This arrangement will continue.
- 4.3 Under this proposal the EH Manager would be line managed by the senior manager of the single employing authority, and will remain accountable to the client managers at each authority for delivery of the service level agreement EH Shared Service Board arrangements.

#### **5. Risk Management across MKS Partnership**

- 5.1 Within MKS, the spread of shared services lean towards Maidstone, which has to date taken most of the burden for the Mid Kent Improvement Partnership, creating an increase in employee liabilities, financial risk, and HR burdens for Maidstone BC. Currently, Mid Kent HR, Audit, Planning Support and ICT are all hosted by Maidstone.
- 5.2 The S151 Officers review the triennial pension report, and recommend revisions of pension contributions made by the MKS host authority should liability be distorted due to partnership working. A mechanism is in place to counterbalance any distortion should one authority take a greater weight of staffing. The move to SBC providing the single employer for MK Legal Services staff has provided additional mitigation and it is only right that TWBC also takes its share of the risk.
- 5.3 The professional pool of environmental health staff is limited with fewer officers qualifying and gaining professional registration each year. The partnership offers us a competitive setting in which to consider succession planning and career progression (particularly given the influence London has on working in the south east). Adopting a single employer will simplify future recruitment and rationalise the MKEH brand.
- 5.4 It is therefore proposed that the employment of all Environmental Health Service staff should transfer to Tunbridge Wells BC from 1 June 2017, to further spread the financial and associated employment risks and responsibilities across the Partnership, and to assist in the delivery of future savings.

5.5 As a consequence, the original collaboration agreement will be reviewed to take account of this process.

## **6. Single Employing Employer Benefits**

6.1 For the service itself, providing a single employer will mean management are given a more effective platform to meet future changes in service demand, legislative and statutory transformations. As mentioned in the introduction, central government are reviewing a number of statutory responsibilities delivered by local government. Although any changes can be effected across the individual authorities, within MKEH it will be more efficient and better for the service if any changes are dealt with in through one authority. This will enable the service to maximise opportunities to act as specialist service providers for other local authorities, and develop business primary authority arrangements.

6.2 Although the MKEH has made significant cultural changes in the last two years, by individual officers working across authority boundaries, the cultural development of the service will be more effective if a single employer is established. This has been demonstrated by the MK Legal 'One Team' approach, where the cultural changes and sense of 'one team' the Head of Service was anticipating have now been realised.

6.3 MKEH is in a different position to most MKS services that have moved to a single employer, as it has already been operating as a shared service but unusually one where the teams were employed under the terms and conditions of their original employer. In this proposal the service will essentially keep its current structure following the proposed change to a single employer.

6.4 This difference means that as the service will retain its existing structure (with no changes to the officer roles, or significantly reducing the establishment numbers) the reasons for applying economic, technical and operational changes do not apply under TUPE, although all other TUPE conditions will apply.

6.5 Instead, the transfer of staff from the other two authorities to the new 'single employing authority' will mean that individuals may choose to remain on their current terms and conditions, or opt to transfer to those of the new employer, and will probably opt for the most advantageous terms and conditions for them. However, all new staff will be appointed under the new single employer contract.

6.6 The benefits of moving to a single employer for MKEH include:

- (i) providing staff with the chance to have consistent pay scales for equivalent roles across the service in order to eliminate the current disparity in pay for the same role and responsibilities;
- (ii) ensure that new staff are appointed to the single employer;
- (iii) migrate the majority of officers to consistent terms and conditions of service such as pay, annual leave arrangements, and essential user allowance (where applicable); and
- (iv) move towards consistent HR and H&S policies and procedures.

## 7. Financial Implications of transferring staff to a Single employing authority

7.1 The total full time equivalent for each band of officers is provided in Table 1, together with the number of officers employed at each authority.

**Table 1: The spread of FTE by function and posts across MKEH**

<b>Job Title</b>	<b>FTE</b>	<b>Maidstone (Posts)</b>	<b>Swale (Posts)</b>	<b>Tunbridge Wells (Posts)</b>
<b>Environmental Health Manager</b>	1			1
<b>Team Leaders</b>	5	1	2	2
<b>Administration Officer</b>	4.58	1	2	2
<b>Senior Scientific Officer</b>	2	1	1	0
<b>Scientific Officer</b>	4.85	2	2	2
<b>Food &amp; Safety Officer</b>	4.5	4	0	2
<b>EHO</b>	4	1	1	2
<b>Senior EHO</b>	9.21	2	5	4
<b>Total</b>	<b>35.14</b>	<b>11</b>	<b>13</b>	<b>14</b>

7.2 The financial implications of moving to a single employer have been calculated using the 2016/17 budgets for each authority, and estimating the base budgets for the following two years, allowing for a 1% cost of living increase, and incremental or contributory pay increases where applicable.

7.3 The costs also include NI and pensions (where staff have opted to be in the local government pension scheme), and the application of essential car user allowance for posts where this applies.



- 7.4 As mentioned above, the proposal will be for officers to transfer under TUPE terms and conditions. It has been assumed that they will opt either to remain with their current employer or transfer to the new employer, depending upon whichever set of terms and conditions are more advantageous to the individual.
- 7.5 Based on this analysis, the difference between the existing budget base for 2016/17 and subsequent years has been summarised below in Table 2. The table sets out a comparison of costs should each of the authorities act as the single employer. The figures provided are the increase/decrease from the base budget actual for 2016/17, and predicted through to 2019.

**Table 2 Summary of Comparative Costs for MKEH based on each authority acting as Single Employer**

<b>Single Employer Authority</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Total across partnership</b>
<b>TWBC</b>	23,140	17,850	18,490	<b>59,480</b>
<b>MBC</b>	-1,180	-430	400	<b>-1,210</b>
<b>SBC</b>	6,440	13,250	26,240	<b>45,930</b>

- 7.6 The table shows that changing to a single employer will generate an increase in cost for the shared service due to TUPE conditions relating to the transfer of staff, with the exception of Maidstone BC becoming the single employer.
- 7.7 Whilst Maidstone BC would provide the lowest single employer cost, balanced against the financial consideration is the need to enable the MKEH service to act as one team, and it is unlikely that given TUPE protection we would see officers transferring from their current employer to Maidstone's terms and conditions to the same degree anticipated if Tunbridge Wells becomes the single employer.
- 7.8 The figures present the total additional cost to the partnership over present costs for three years. The average increase of moving to TWBC as the single employer would be £19,826 each year apportioned between each authority in line with the current Collaboration Agreement; Maidstone 31.96%, Swale 29.22%, Tunbridge Wells 38.82%.
- 7.9 Which means the average annual increase in budget for all three councils as a result of moving to Tunbridge Wells as a single employer is £19,800 allocated as:; MBC: £6,300, SBC £5,800, TWBC: £7,700. This increase will be offset through the reduction in establishment (deletion of a composite of nearly 1 FTE) that results in annual savings of £22,000. There will be no increase in cost for any of the authorities as a result of the proposal. In

addition, it would support the objective of spreading the risk across the three partners within MKS more evenly.

7.10 The in year change between 2017/18 and 2018/19 are not additional costs but total costs above the current base budget for these years. For Tunbridge Wells as single employer year increase is £640 between 17/18 and 18/19, for Maidstone £830, and Swale £2,990.

## **8 Conclusion**

- 8.1 MKEH has delivered on its initial business case. It has provided resilience to each of the three authorities during the last two years in a number of different ways. It has demonstrated improved consistency in processes, and delivered efficiencies utilising the professionalism of specialist officers. The service has brought back in-house the food inspection service for Swale, and the Pollution Prevention Control function for Tunbridge Wells and Swale, both of which have improved the quality of the service provided to businesses across the districts. MKEH has also met the expectations of the Service Level Agreement within the EH Collaboration Agreement since the start of the service.
- 8.2 Building on this success, MKEH needs position itself to be able to effectively respond in the coming years to changes in the external regulatory environment that it operates within, and the financial position of the three councils.
- 8.3 Moving to a single employing authority and retaining the two-office location model will help the way in which the service can respond to these challenges, through consistent management and further development of the one team culture. A single employer provides a strong platform for future changes and service development.
- 8.4 Overall Tunbridge Wells BC as the single employing authority will provide the best option under TUPE to achieve the aim of maximising consistent terms and conditions, and also meets the aim of spreading the employment and financial risk across the MKS partnership.