

**REPORT TO INFRASTRUCTURE SERVICES COMMITTEE - 24 AUGUST 2017****Proposal for a North of Scotland Trading Standards Joint Working Partnership****1 Recommendations**

The Committee is recommended to:

- 1.1 Note the ongoing discussions around a potential formal Joint Working Partnership for the North of Scotland Trading Standards' Services.**
- 1.2 Endorse in principle progression towards a formal Joint Working Partnership for the delivery of Trading Standards Services with other participating authorities.**
- 1.3 Instruct officers to scope out a suitable governance framework for the Joint Working Partnership, to include the option of establishing a Joint Committee.**

2 Discussion

- 2.1 As *'the local weights & measures authority'*, Local Authority Trading Standards Services have a statutory duty to enforce consumer protection and trading standards law designed to protect and promote the health, safety and economic wellbeing of residents and legitimate businesses, and in so doing the wider community beyond our boundaries.
- 2.2 This covers: Fair Trading including the pricing and description of goods and services, Anti-counterfeiting/Illicit Trade, Legal Metrology (Weights & Measures), Product Safety, The Sale of Age Restricted Products such as Cigarettes and Fireworks, Tobacco and Nicotine Vaping Products Registration & Enforcement, and Petroleum Storage Certification and Explosives Licensing.
- 2.3 In so doing the Service provides advice to consumers on goods and services; business advice in writing; visit business premises to discuss compliance in person; investigation of complaints and Intelligence received; test purchasing of goods; and in certain circumstances reporting crimes to the Procurator Fiscal, issuing Fixed Penalty Notices or pursuing civil Enforcement Orders in the Sheriff Courts.
- 2.4 An Audit Scotland report – Protecting Consumers¹, published in January 2013 found the decrease in trading standards staff between 2008 and 2012 was 15% compared to 10% for Councils as a whole. The Chartered Institute of Trading Standards (CTSI) found the situation continuing to deteriorate with a further 11.5% decrease in staff numbers across the UK between March 2014 and 2016².

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

² [CTSI Workforce Survey 2016](#)

- 2.5 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."
- 2.6 In response, COSLA set up the Trading Standards 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.
- 2.7 COSLA leaders agreed to the following actions recommended by the Review Group:
- Mandate to the Improvement Service a design exercise to scope up the precise number and configuration of regional services; and
 - Agree that a report be brought back to Leaders providing more detailed information on the developing regional arrangements, once this design exercise is complete.
- 2.8 The Improvement Service is now working on this exercise, along with the Society of Chief Officers of Trading Standards in Scotland (SCOTSS). It is unclear what the outcome of this will be and what COSLA leaders will decide.
- 2.9 The Local Authorities in northern Scotland have participated throughout in these national developments and continue to do so. Aside from the national Strategic Review where there is still no clear way forward, the progression of regional joint working arrangements with neighbouring local authorities has been identified as a valuable way to address some of the pressures facing the delivery of Trading Standards services. Accordingly, the North of Scotland authorities have started to explore possible formal joint working arrangements and informal discussions are being held between local authority Trading Standards services to explore options for mutually-beneficial collaboration and work up proposals. Full details of the drivers for the initiative, the benefits from joint working, and the proposals for taking this forward are given in Appendix 1.
- 2.10 If Committee are minded to endorse progression of the move to a Joint Working Partnership, the creation of a Joint Committee would be explored as an option for the formal governance framework. A decision of Full Council would be required to establish and participate in a Joint Committee.

3 Scheme of Governance

The Committee is able to take a decision on this item in terms of Section F 1.1 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to policy and resource issues relating to trading standards, part of economic development and protective services.

4 Equalities, Staffing and Financial Implications

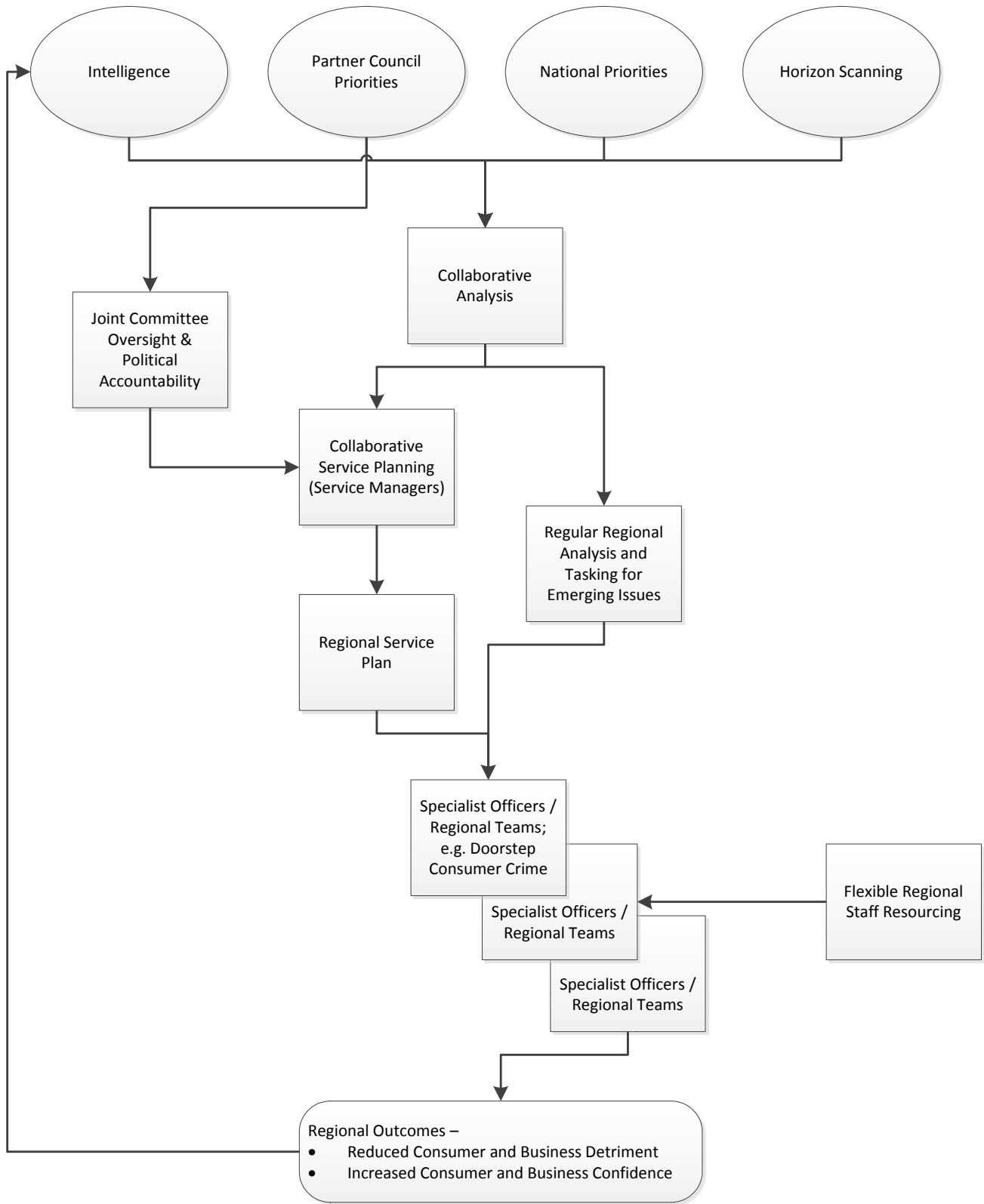
- 4.1 An equality impact assessment is not required because the proposal is at an early stage and will be brought back for final approval.
- 4.2 Participating Authorities will retain their own budgets and any service start-up costs would be funded within existing provision. There would be a cost implication related to the establishment and operation of a Joint Committee. The scoping of those costs and discussion of fair division between participating authorities will form part of the remit of the officer working group.
- 4.3 Staff would retain their existing employer, terms and conditions and location. They may however be required to work outwith the local authority boundary at times and to share expertise with colleagues in participating authorities. A briefing note on the discussions to date has been issued to Trading Standards staff in the participating authorities.

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27 July 2017

Appendix 1

Overview of Proposals for North of Scotland Joint Trading Standards Joint Working Partnership



1 The following were seen as the main drivers for this initiative:

1. Individual Councils struggle to maintain full Trading Standards capability and expertise, trying to deliver a broad range of functions requiring diverse knowledge, skills and equipment;
2. Workforce planning in small units is very difficult, exacerbated by ageing workforces;
3. Underpinning points 1 & 2 are the continually contracting budgets (as evidenced above) facing Trading Standards 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; and
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.

2 The benefits to be gleaned from working together have been identified as:

1. Improved effectiveness through formal partnership working and sharing of expertise;
2. Ability to promote consistency through common procedures, policies, service plans and alternative enforcement (e.g. projects etc);
3. Increased capacity to deal with wider issues and targeted enforcement through the pooling of resources and lead officer arrangements;
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; and
5. Opportunities for procurement efficiencies (e.g. calibration and test services, sharing equipment, on-line reference material subscriptions etc).

3 Guiding Principles

3.1 A working group of North authorities was set up in early 2017. Three meetings have been held, attended by the Trading Standards 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.

3.2 The following aims and principles were agreed by the attendees:

- The aim is to pool resources and expertise, increasing resilience and sharing knowledge which will ultimately produce better outcomes for consumers and legitimate businesses.
- Councils will maintain control over their budgets and staffing to avoid pitfalls that have derailed previous attempts to create shared Trading Standards services. Each authority will contribute resources appropriately and equitably to add value to the partnership, helping ensure service delivery is improved across all areas.
- The collaborative working is proposed to consolidate fragile services and not as a cost saving initiative.

4 Specific Collaboration Proposals

- 4.1 After determining the guiding principles, the Trading Standards Managers and Heads of Service considered a range of specific ideas to increase collaboration.

The most important of these are the following:

1. 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.
2. The Joint Committee would be fully responsible for trading standards matters other than budget setting which will remain with member Authorities. So will be responsible for agreeing priorities and strategic direction, service planning and performance management.
3. Under the Elected Member group, there would be an operational management group consisting of officers from all the participating authorities. These officers would be Trading Standards professionals, probably the Trading Standards Manager for the authority, with options for reserve attendees when necessary. This group would meet more regularly, at least quarterly.
4. 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' Trading Standards 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.
5. 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.
6. 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.
7. 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.

8. 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.
9. 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.
10. 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.
11. Increasing the number of enforcement projects and other joint initiatives and ensuring their impact is maximised.

5 Risks

- 5.1 The group considered the risks associated with the initiative: both in terms of increasing collaboration and of doing nothing. The tables below list these.

Risks of Collaborative Arrangements	Mitigation
<p>a. If individual Councils cut budgets then they may not be able to contribute appropriately to partnership working resulting in their exclusion from the partnership.</p>	<p>Councils consider setting TS budgets for a fixed period to allow the Joint Service to take shape.</p> <p>Councils consider consulting the Joint Committee during budget setting process and to consider the response.</p>
<p>b. If Councils don't agree with the Joint Committee on Trading Standards service plan priorities, Councils may decide to end their collaboration.</p>	<p>The Joint Committee provides a forum for resolving differences.</p> <p>Councils give consideration to national priorities from the Consumer Protection Partnership and Trading Standards Scotland leading to convergence of priorities.</p> <p>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.</p>
<p>c. If Trading Standards currently have differing priorities and approaches, then staff who are required to change may have difficulty accepting change.</p>	<p>With agreed priorities may come the need for additional training and/or mentoring to allow colleagues to adapt.</p>
<p>d. If the Trading Standards formal joint working partnership cannot demonstrate positive outcomes for each Council, then Councils may reduce</p>	<p>The APSE performance measures provide output measures (but not outcome measures). These will be</p>

funding or, more likely, withdraw from the arrangement.	provided on a Council by Council basis.
e. If staff have different pay and service conditions, this may damage staff morale of those who consider they have inferior terms.	Pay rates and conditions of service are set by the employing authority not the Joint Committee. Proposal offers opportunity for personal and professional development.
f. If the proposals do not recognise the difficulties experienced by previous attempts to work collaboratively, then Councils may make the same mistakes.	The difficulties experienced by previous Shared Service proposals have informed this process with a view to avoiding repeating them.

Risks of Continuing without Collaboration	Mitigation
a. Small individual Councils are less resilient to budget cuts. Individual Councils may lose the organisational competence to deliver a Trading Standards service on their own leading to breach of statutory duty.	Trading Standards budgets would need to increase to ensure statutory duties can be fulfilled.
b. If Councils do not collaborate, they will be open to criticism for not responding to the Audit Scotland report suggesting a joint or collaborative approach, leading to reputational damage.	Councils would need to find an alternative to formal joint working such as national delivery.
c. 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.	More resources would have to be allocated for recruitment and training.
d. 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 Other Considerations

6.1 Some other important matters were noted which must be taken into consideration as the initiative is developed:

- In order to create robust and sustainable arrangements, participating Councils should be encouraged to make long term commitments to the collaboration, perhaps five years.
- The possible impact of the Islands (Scotland) Bill which is currently going through the Scottish Parliament must be considered, although with the

retention of staff and budgets in existing authorities, the proposals are likely to be consistent with the aims of the Bill.

- Comhairle nan Eilean Siar, Shetland, and Angus Councils will be informed on progress with an invitation to participate.
- The partnership would benefit from developing an identity/brand to improve visibility, reputation, effectiveness and influence with stakeholders; including the public, businesses, staff, other Council services and partner agencies.
- The group would consider an approach to the Improvement Service for assistance with implementation if their assistance was felt necessary.

7 Milestones

To try and maintain momentum the following possible milestones have been identified however it is recognised that they are ambitious and subject to slippage:

Milestone	Date
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

8 Next Steps

- 8.1 The working group has agreed to appoint two teams. One of these will consider detailed governance arrangements and will consist of Heads of Service and Trading Standards Managers. The other will look to develop a service plan and detailed operational requirements and will consist of Trading Standards Managers and co-opted Trading Standards staff as appropriate.
- 8.2 The group also agreed that this initiative would not be taken further until it received approval in principle from Elected Members and senior management in the participating authorities. This report has been compiled to assist in that process and the substantive text of it is agreed by all individual participants from each authority.