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| Meeting of:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Shared Regulatory Services Joint Committee</b>                                                                                      |
| Date of Meeting:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Tuesday, 10 December 2019</b>                                                                                                       |
| Relevant Scrutiny Committee:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | All Scrutiny Committees                                                                                                                |
| Report Title:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Delivering with Less- Environmental Health Services - Wales Audit Office<br>Follow Up Review                                           |
| Purpose of Report:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | To advise Members of the findings of the Wales Audit Office (WAO) examination of the Environmental Health Services provided by the SRS |
| Report Owner:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Dave Holland, Head of Shared Regulatory Services                                                                                       |
| Responsible Officer:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Miles Punter, Director of Environment and Housing.                                                                                     |
| Elected Member and Officer Consultation:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                        |
| Policy Framework:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | This is a matter for the Joint Committee.                                                                                              |
| <p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• The Wales Audit Office (WAO) follow up review of environmental health services across Wales considered whether there has been any budgetary or workforce changes within each Council's environmental health service and considered the extent to which any changes have addressed the recommendations identified in the previous 2014 national report. Councillors will be aware that in 2014, the environmental health service was being delivered by individual departments within each of the three partner Councils.</li> <li>• Overall, the report findings are positive, and it concludes that 'The Shared Regulatory Services (SRS) model is enabling all three partner Councils to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation'.</li> <li>• The review identified that there is scope for the Councils to strengthen its independent oversight and assurance arrangements of the SRS and those matters are being progressed by the Scrutiny Heads.</li> <li>• The review also concluded that any future changes to environmental health services must be subject to a more rigorous analysis of costs, benefits and impacts as resources become more constrained.</li> </ul> |                                                                                                                                        |

## **Recommendations**

1. That the Joint Committee consider the key findings arising from the Wales Audit Office's follow up review of environmental health services in the partner Councils and the subsequent responses to the proposals for improvement.

## **Reasons for Recommendations**

1. To apprise the Joint Committee of the findings of the report, the implications for the SRS and the consequential actions proposed by the partner Councils.

## **1 Background**

- 1.1 All Councils undertake a range of statutory environmental health duties aimed at safeguarding and protecting the public. These services have a direct impact on the health, well-being and safety of our residents and visitors. The duties include food safety, dog control, private sector housing as well reducing the cause and effects of air and noise pollution.
- 1.2 During October 2014, the WAO produced a national report the provision of environmental health services in Wales. 'Delivering with Less- The impact on environmental health services and citizens'. At that time the partner councils received reports indicating that, to varying degrees, the continued delivery of environmental health services was uncertain. A common observation was that the Councils would find it difficult to take on new statutory duties that protect the public and the environment. The report further commented: "With the exception of the planned shared regulatory service between Bridgend, Cardiff and Vale of Glamorgan Councils, we found little evidence of councils developing a comprehensive regional-based solution to address the financial challenges they face".
- 1.3 Since September 2015, Bridgend, Cardiff and the Vale of Glamorgan Councils provide most of these environmental health services through the SRS. This shared service model was established to secure the effective use of council resources whilst continuing to maintain high quality service delivery.
- 1.4 Between April and July 2019, the WAO, through Grant Thornton, undertook a follow up review of environmental health services in the partner Councils. This assessment evaluated budgetary and workforce changes within the Council's environmental health services and considered the extent to which these changes have addressed the recommendations identified in the 2014 national report. The WAO produced three reports, one for each Council and these are set out at Appendices 1 to 3.

## **2. Key Issues for Consideration**

### **2.1** The starting point of the audit was:

Is the Council still delivering its statutory Environmental Health functions given the financial challenges? And in particular,

- Has there been a reduction in resources assigned to Environmental Health
- Is the Council able to meet its statutory obligations
- Is the Council effectively managing performance?
- Has the Council acted upon the recommendations made in 2014?

### **2.2** The three reports produced conclude that overall, 'The Shared Regulatory Services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation'.

### **2.3** However, the review did identify that 'there is scope for the Council to strengthen its independent oversight and assurance arrangements of the SRS and work with SRS and other providers to explore opportunities for future improvement'.

### **2.4** The WAO base this conclusion on the following:

- Resources available to environmental health services have reduced since 2014-15, but the performance across the three Councils has been maintained through the collaborative arrangements delivered by the SRS;
- Whilst the Council and SRS are confident that environmental health obligations are being met, neither have explicitly assessed whether this is the case and would benefit from working together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions;
- Governance and performance management frameworks are robust, but arrangements for review and challenge of performance information could be formalised;
- There is scope for the Council to improve the level of independent challenge, oversight and member scrutiny it exercises in relation to environmental health services provided by third parties;
- The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate; and

- The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions.
- 2.5** In response to these report findings the Head of Shared Regulatory Services worked with senior officers in each Council to develop an action plan to be progressed by the Councils. There are some differences in the action plans given the slightly different proposals for improvement contained in the individual Council report. The Scrutiny/Audit Committees at each Council have considered the reports. Appendix 4 represents the proposals for improvement set out for each Council.
- 2.6** In terms of actions arising with specific regard to the SRS, it is evident that the model has achieved its objectives of making environmental services more resilient and better positioned to meet new demands.
- 2.7** The 2014 report challenged the Councils to improve strategic planning and improve efficiency and illustrate value for money. The 2019 reports indicate that reports provided to elected members are comprehensive and the breadth and coverage of data is sufficient to enable informed internal decision-making. The SRS outcomes-based approach to service delivery assists in delivering wider corporate and public health objectives. The SRS can also demonstrate stable or improving performance over time on the majority of its performance indicators, despite the reduction in resources.
- 2.8** With respect to value for money, the reports indicate a significant reduction in the number of management posts, while the number of qualified officers and technicians has increased. The percentage decrease in budget savings is comparatively higher than the percentage decrease in staff numbers. Through undertaking a detailed review of proposed staff cuts the SRS has been able to maintain its service provision whilst significantly reducing costs.
- 2.9** That said, the WAO feel that any further resource reductions must be contemplated carefully, both in respect of finance and human resources. Elected members will be aware that the SRS management team has introduced a number of initiatives aimed at dealing with a reducing skills base available for recruitment. Matters pertaining to the future funding of the SRS will be discussed with partner Councils in 2020 and take account of the recommendations of the need to prioritise services in the likely event of further budget reductions.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** Performance Management is an intrinsic part of governance and integrated business planning which underpins the delivery of the SRS Business Plan. Aligning our priorities with the Well-being Goals of the Act will enable us to better evidence our contribution to the aspirations set out in the Act.
- 3.2** External Regulation of our activities is an important vehicle for driving continuous improvement across our services. Progressing the improvement areas identified by our regulators can help us to demonstrate our commitment to continuous service improvement, and our goal of impacting significantly upon well-being across the SRS region.
- 3.3** The SRS has a clear focus upon developing innovative ways of working that better integrate services, allow us to work more collaboratively with our partners, and to sustain and future proof our services into the longer term.

### **4. Resources and Legal Considerations**

#### **Financial**

- 4.1** There are no immediate budgetary implications arising from this report, although a failure to address effectively the improvement areas outlined in the Wales Audit Office's report could have a negative impact on future service delivery.

#### **Employment**

- 4.2** There are no immediate workforce related implications associated with this report. However, there are a number of issues contained within the report that if not effectively managed have the potential to impact on our staff establishment and performance overall. This may in turn impact adversely on delivery of environmental health services and achievement of key outcomes associated with the SRS Business Plan.

#### **Legal (Including Equalities)**

- 4.3** The Local Government (Wales) Measure 2009 requires that the Councils/SRS secure continuous improvement across the full range of local services for which it is responsible.

- 4.4** The Well-being of Future Generations (Wales) Act 2015 requires the Councils to set and publish annual Well-being Objectives that maximise its contribution to achieving the Well-being goals for Wales and report its progress in meeting these.
- 4.5** The WAO is statutorily required under the Well-being of Future Generations (Wales) Act 2015, to examine public bodies to assess the extent to which they have acted in accordance with the sustainable development principle when setting their wellbeing objectives and taking steps to meet them.

## **5. Background Papers**

- Appendix 1 - Delivering with Less – Environmental Health Services – Follow-up Review – Bridgend County Borough Council
- Appendix 2 - Delivering with Less – Environmental Health Services – Follow-up Review –Cardiff Council
- Appendix 3 - Delivering with Less – Environmental Health Services – Follow-up Review – Vale of Glamorgan Council
- Appendix 4 - Draft action plan in response to the proposals for improvement.

### *Supporting reference documents*

- *Delivering with Less – the Impact on Environmental Health Services and Citizens National report and three individual report for Bridged, Cardiff and the Vale of Glamorgan Councils.*



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru  
Auditor General for Wales

# Delivering with Less – Environmental Health Services – Follow-up Review – **Bridgend County Borough Council**

Audit year: 2018-19

Date issued: September 2019

Document reference: 1549A2019-20



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

The work was delivered by Grant Thornton UK LLP under the direction of Huw Rees.

# Summary report

The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its scrutiny and oversight arrangements of environmental health services and work with SRS and other providers to explore the opportunities for future improvement.

## Summary report

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## Detailed report

Resources available to environmental health services have reduced since 2014-15 but the Council's performance has been maintained by collaborating with two other councils through the SRS 9

Whilst the Council and SRS are confident that environmental health obligations are being met, neither have explicitly assessed if this is the case. The Council and SRS should work together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions 14

Governance and performance management frameworks are robust but arrangements for review and challenge of performance information could be formalised 15

The Council should improve independent challenge, member oversight and scrutiny in relation to environmental health services provided by the Council, the SRS and other providers 16

The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate 17

The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions 18

## Appendices

|                                                                                                                                                |    |
|------------------------------------------------------------------------------------------------------------------------------------------------|----|
| Appendix 1 – Auditor General's recommendations – Delivering with less – the impact on environmental health services and citizens, October 2014 | 20 |
| Appendix 2 – Council's progress in addressing the Auditor General's recommendations                                                            | 23 |

# Summary

## What we reviewed and why

- 1 In October 2014, the Auditor General published a national report, **Delivering with less – the impact on environmental health services and citizens** (see **Appendix 1** for the recommendations from that report). Our local review in 2019 assessed whether there have been any budget and staff changes within the Council's environmental health services and the extent to which it has addressed the recommendations included in our 2014 national report. For the purposes of this review, we focused on the Council's progress in addressing recommendations 2, 3, 4, and 5.
- 2 Councils have numerous statutory environmental health duties and citizens highly value many of the environmental health services provided. Furthermore, environmental health services directly impact upon the health, wellbeing and safety of residents and visitors to Wales.
- 3 Environmental health services cover a range of issues, such as food safety, pest control, dog control, housing and reducing the causes and effects of air pollution.
- 4 To inform our findings, we interviewed a selection of officers and members, whose remit includes the Council's environmental health arrangements. We also reviewed relevant documentation.
- 5 We undertook the review during the period April 2019 to July 2019.

## Background

- 6 Since 1 May 2015, Cardiff Council, Bridgend County Borough Council (the Council) and the Vale of Glamorgan County Borough Council have been operating under a joint working agreement known as the shared regulatory service (SRS). The SRS provides environmental health, licensing and trading standards services. The Council continues to provide other services outside the SRS, as listed in **paragraph 11**.
- 7 The SRS has a single management team working across the three Councils. It operates under a joint agreement between the participating councils. It is governed by a Management Board (officer-led) and a Joint Committee, consisting of six elected members, two from each council.
- 8 The SRS provides core services (functions common to all councils) and specific services unique to each council. Core services are jointly funded, and the contribution of each council is based on their population.
- 9 The SRS was established to make more effective use of councils' resources and to enable the three councils to continue to deliver high-quality services whilst reducing costs.

- 10 This report provides an assessment of Council’s environmental health service performance including services delivered directly by the Council (pest control, kennelling, and littering and fly-tipping enforcement) as well as those delivered jointly through SRS.
- 11 **Exhibit 1** below sets out the services which were in scope of our review:

**Exhibit 1: In-scope environmental health services**

| Services provided by the SRS                           | Services provided by the Council           |
|--------------------------------------------------------|--------------------------------------------|
| Pollution control                                      | Pest control (outsourced to a third party) |
| Food safety                                            | Littering                                  |
| Health & Safety                                        | Fly tipping                                |
| Infectious diseases                                    |                                            |
| Private sector housing                                 |                                            |
| Burial/cremation of persons deceased at public expense |                                            |
| Illegal evictions and harassment                       |                                            |

**What we found**

- 12 Our review sought to answer the question: Is the Council’s environmental health service continuing to deliver its statutory obligations given the financial challenges?
- 13 Overall, we found that the shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its scrutiny and oversight arrangements of environmental health services and work with SRS and other providers to explore the opportunities for future improvement. We reached this conclusion because:
- resources available to environmental health services have reduced since 2014-15 but the Council’s performance has been maintained by collaborating with two other councils through the SRS.
  - whilst the Council and SRS are confident that environmental health obligations are being met, neither have explicitly assessed if this is the case. The Council and SRS should work together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions.
  - governance and performance management frameworks are robust but arrangements for review and challenge of performance information could be formalised.

- the Council should improve independent challenge, member oversight and scrutiny in relation to environmental health services provided by the Council, the SRS and other providers.
- the Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate
- the Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions.

## Proposals for improvement

### Exhibit 2: proposals for improvement

The table below sets out the proposals for improvement that we have identified following this review. Please note that the proposals for improvement apply to both services provided by the SRS and by the Council, unless stated otherwise.

| Ref. | Proposals for improvement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| P1   | <p>We found some evidence of cost, benefit and impact analysis being performed to enable decision-making around savings and changes to services. However, whilst consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this will be largely unknown until £498k of savings begin to take effect.</p> <p>The Council should subject any future changes to environmental health services to a more rigorous analysis of costs, benefits and impacts.</p> |
| P2   | <p>The Council should investigate further possibilities for commercialisation and income generation for environmental health services in order to provide additional financial capacity if funding reduces in the future.</p>                                                                                                                                                                                                                                                                                                                                                     |
| P3   | <p>When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services.</p>                                                                                                                                                                                     |
| P4   | <p>The Council should introduce greater challenge of the level and quality of environmental health services provided by third parties, including the SRS under the Joint Working Agreement.</p>                                                                                                                                                                                                                                                                                                                                                                                   |
| P5   | <p>The Council should strengthen its “client” / contract management of its environmental health services by:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Ref. | Proposals for improvement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | <ul style="list-style-type: none"> <li>• adopting a more proactive approach to managing the performance of contractors (including the SRS) to enable the Council to hold its partners to account for their performance</li> <li>• reviewing the outsourced Mitie pest control contract, including the historical call out volume data, to seek to establish whether the current flat monthly fee payment structure represents value for money to the Council. This can be subsequently used to inform the contract renegotiation on renewal in 2020.</li> </ul> |
| P6   | The Council should work with SRS to undertake a review of business continuity and succession planning arrangements in relation to the SRS to mitigate the risk of overreliance on key individuals, such as the Head of SRS and operational managers.                                                                                                                                                                                                                                                                                                            |
| P7   | The Council should strengthen elected member oversight of its environmental health services, for example through more regular Scrutiny of services provided by third parties including the SRS.                                                                                                                                                                                                                                                                                                                                                                 |
| P8   | The Council should consider introducing more structured and targeted development and training opportunities for relevant members, which may be beneficial in the event of changes in personnel and in areas experiencing changes in legislation, e.g. air pollution/food safety/ infectious diseases.                                                                                                                                                                                                                                                           |
| P9   | The Council should more clearly link any future decisions on changes to service levels to an assessment of impact on relevant stakeholders, including service users and residents. Whether consultation is necessary, and the most appropriate means of consulting should be decided on a case-by-case basis. However, where changes are likely to impact service users, businesses and local residents, they should be aware of and consulted on these decisions.                                                                                              |
| P10  | The Council needs to build on initiatives such as the SRS Noise app, to ensure that future funding reductions can be mitigated by innovation and transformation in service delivery and that environmental health services are able to benefit from new technologies.                                                                                                                                                                                                                                                                                           |

# Detailed report

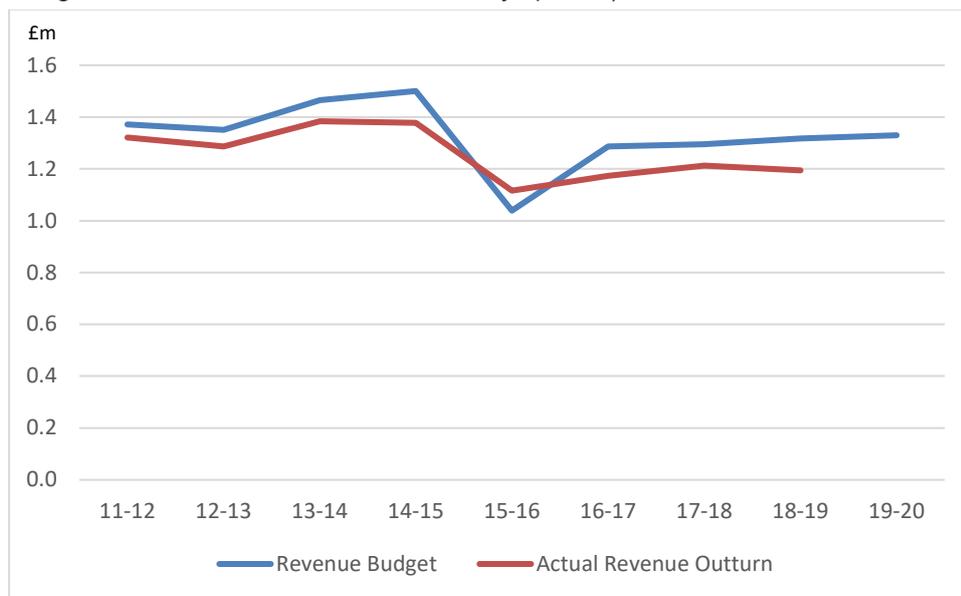
The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its scrutiny and oversight arrangements of environmental health services and work with SRS and other providers to explore the opportunities for future improvement

Resources available to environmental health services have reduced since 2014-15 but the Council's performance has been maintained by collaborating with two other councils through the SRS

- 14 The delivery of environmental health services through the SRS provides flexibility and resilience. Whilst resources have reduced the SRS has been able to shift resources as priorities change and issues arise. Through the SRS, the Council has been able to continue to deliver some non-statutory environmental health services, food hygiene events to support local businesses.
- 15 The cost of providing the services has reduced from £1.372 million in 2014-15 to £1.000 million in 2018-19 (revenue outturn, combined Bridgend and Bridgend SRS services, as illustrated in [Exhibit 3](#), representing a reduction of 27%).

**Exhibit 3: the net cost of environmental health services, Bridgend and Bridgend SRS combined – revenue Budget compared to outturn from 2011-12 to 2019-20**

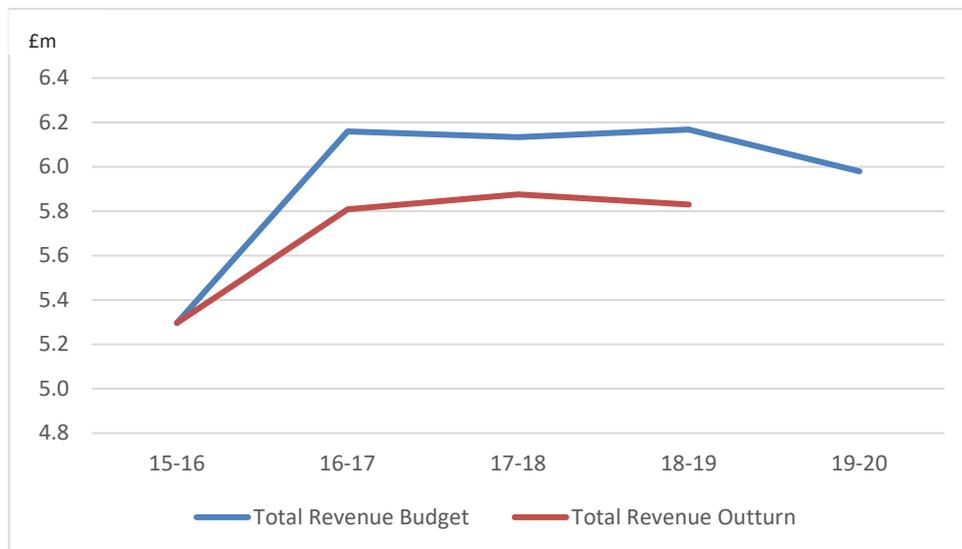
(This includes services that were retained by the Council as well as the cost of Bridgend SRS services, core and authority specific)



Source: Wales Audit Office Delivering with Less – Review of Environmental Health Services 2015, Bridgend County Borough Council and SRS

- 16 The SRS provides the majority of the Council’s environmental health services, except for pest control, and littering and fly-tipping enforcement. **Exhibit 4** below illustrates the cost of the SRS for all three councils, showing a trend in reduction in overall costs since the creation of SRS. As the SRS begun on the 1 May 2015, costs for 2015-16 only reflect 11 months of the year.

Exhibit 4: total cost of SRS, for all three Councils combined (including core and authority specific services)



Source: Bridgend County Borough Council and SRS

- 17 The creation of SRS delivered an immediate and significant saving in comparison to the total of the previous service budgets for the participating organisations. The SRS has agreed to deliver 5% budget reductions on an annual basis from 2018-19 to 2020-21. This represents a core budget reduction of £830,000 (of which £186,000 relates to Bridgend’s contribution). These figures include all SRS services, including those outside the scope of this review, such as trading standards.
- 18 When the SRS was established administrative costs and overheads such as building costs remained with the individual councils. These overheads are not included within the financial information for the SRS (Exhibit 4) but are included within [Exhibit 3](#).
- 19 The SRS achieved an underspend of £496,000 in 2018-19, of which it could retain £200,000. This underspend was achieved due to staff vacancies and restructuring of the service during 2018. The Joint Committee have agreed that this underspend can be retained by the SRS to invest in initiatives to address the current vacancies, rather than being returned to participating councils. This demonstrates that the three councils value the role of the SRS. The remaining underspend will be returned to the Councils based on the agreed funding formula.
- 20 The 2018-19 provisional outturn position for the SRS is illustrated in Exhibit 5 below.

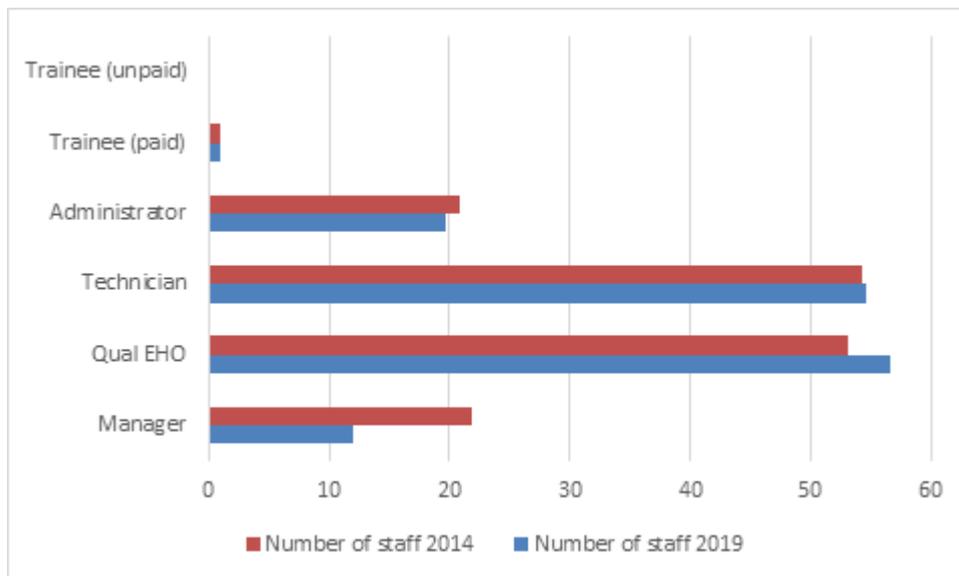
Exhibit 5: 2018-19 provisional outturn position for the SRS

| Council         | Gross budget<br>£000 | Outturn<br>£000 | Variance<br>£000 |
|-----------------|----------------------|-----------------|------------------|
| Cardiff         | 4,978                | 4,789           | 189              |
| <b>Bridgend</b> | <b>1,774</b>         | <b>1,602</b>    | <b>172</b>       |
| Vale            | 1,752                | 1,617           | 135              |
| <b>Total</b>    | <b>8,504</b>         | <b>8,008</b>    | <b>496</b>       |

Source: Joint Committee papers 11 June 2019. These figures are for all services provided by SRS and includes services outside the scope of this review, such as Trading Standards.

- 21 Staff numbers have reduced from 2014 to 2019. In 2014 the three councils together employed 151.15 FTEs compared to 143.92 FTEs employed by the SRS and the councils combined in 2019. There is a significant reduction in the number of management posts, as the number of qualified officers and technicians has increased. This is illustrated in [Exhibit 6](#).
- 22 The percentage decrease in budget savings is comparatively higher than the percentage decrease in staff numbers. Through undertaking a detailed review of proposed staff cuts the SRS has been able to maintain its service provision whilst significantly reducing costs.

Exhibit 6: staff numbers (full time equivalents) employed by the SRS and the three councils combined (Cardiff, Vale of Glamorgan and Bridgend), 2014 compared to 2019



Source: 2014 figures – Wales Audit Office Delivering with Less – Review of Environmental Health Services. 2019 figures – Bridgend County Borough Council and the SRS.

- 23 Any future service changes should be subject to a transparent and thorough analysis of costs, benefits and impacts in order to anticipate and manage the risks arising. We found some evidence of cost benefit impact analysis being undertaken to enable decision-making in relation to these budget reductions. However, whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this on services and therefore local residents and businesses will be largely unknown until the £498,000 savings removed from the budget in 2019-20 begin to impact.
- 24 The Council is able to demonstrate stable or improving performance over time on the majority of its performance indicators, despite the reduction in resources.
- 25 The SRS reports to the Joint Committee on ten indicators relating specifically to the Council’s services, excluding trading standards. Of these ten, in 2018-19 all indicators bar one (number of high-risk inspections of Category C businesses that were carried out during the year) achieved their target.

**Whilst the Council and SRS are confident that environmental health obligations are being met, neither have explicitly assessed if this is the case. The Council and SRS should work together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions**

- 26 The Joint Working Agreement commits the SRS to providing legally mandated statutory requirements as well as discretionary non-statutory services. The Joint Working Agreement sets out the activities to be undertaken for each service area but does not identify those which are statutory.
- 27 The officers interviewed were generally able to articulate statutory and non-statutory service requirements in relation to their areas of responsibility within environmental health services.
- 28 It is acknowledged amongst officers and members interviewed that the Council may not be able to maintain the same range of non-statutory service provision in the future when faced with further financial pressures.
- 29 Neither the SRS nor the Council has assessed whether the Best Practice Standards are being met, although local performance targets have been set.
- 30 The Council adopts an outcomes-based approach to service delivery, and has elected to maintain priority non-statutory services to assist in delivering wider corporate and public health objectives.
- 31 However, we note that the Council has not undertaken a review to assess the extent to which it is meeting statutory environmental health obligations, and SRS performance reports do not distinguish between statutory and discretionary services.
- 32 Clearly defining statutory services, as well as the baseline/upper acceptable standards of performance, would support officers and members in their decision-making around any future changes to services, and provide members with additional assurance that the Council is continuing to balance statutory requirements against strategic priorities relating to non-statutory services.

## Governance and performance management frameworks are robust but arrangements for review and challenge of performance information could be formalised

- 33 Overall, there is a robust quarterly performance monitoring and management system in place for the SRS, with scrutiny and challenge provided through the Management Board and the Joint Committee.
- 34 The SRS Business Plan sets out the vision and priorities for the service, how these contribute to the seven well-being goals and each Council's corporate priorities and outcomes.
- 35 SRS Environmental Health objectives are aligned to the Council's overall strategic objectives and officers interviewed could articulate how the environmental health service contributes to achieving these. Officers and members interviewed represented that to date there have been no instances of conflicting interests between the Council and the SRS/other council members.
- 36 The Joint Committee has delegated authority for decisions relating to the SRS and monitors the performance of the SRS, avoiding duplication whilst enabling political representation and transparency. Council meetings at Bridgend are recorded, including reports delivered by SRS officers, and recordings are available on the Council's website.
- 37 The Management Board and the Joint Committee receive quarterly and annual performance reports, which is a requirement under the Joint Working Agreement. These reports focus on key performance indicators, supplemented by qualitative information, such as public complaints or client surveys. The performance reports cover individual Council performance, as well as SRS as a whole, and provide trend analysis for up to four preceding years. We consider the reports to be comprehensive and the breadth and coverage of data sufficient to enable informed internal decision-making.
- 38 Management information is used to provide a holistic view of the level and quality of service delivery. Where possible, performance against internal targets is also compared against a set of national benchmarks.
- 39 The SRS has been able to maintain or improve performance in the majority of areas. Where performance is shown to have deteriorated, the reasons behind this and corrective action are clearly stated.
- 40 Outside of the quarterly performance review cycle, monthly meetings take place between the Head of SRS, Operational Managers and individual Council officers and members. Particular operational and performance issues are often discussed informally at these meetings.
- 41 For those services provided directly by the Council such as pest control and dog kennelling, performance is monitored by the head of service and reported to the

relevant Director. Any key performance issues are addressed through the corporate performance system, although we did not identify any such issues relating to these services during our review.

- 42 Officers and members feel that the arrangements described above are effective. However, we note that current arrangements for review and challenge of performance information are relatively informal and rely on positive working relationships between SRS and Council officers and members. Whilst this approach works well at the moment, there is a risk that it might not be resilient in the event of unforeseen circumstances such as a significant service failure or a change in the key personnel involved.

## The Council should improve independent challenge, member oversight and scrutiny in relation to environmental health services provided by the Council, the SRS and other providers

- 43 From the Council's perspective, scrutiny of environmental health issues is within the remit of three Subject Overview and Scrutiny Committees, as well as the Corporate Overview Scrutiny Committee. In the past year the Overview and Scrutiny Committee 2 discuss the performance of empty properties as part of the forward work programme update. These committees scrutinise environmental health issues when requested by members but do consider them routinely on an ongoing basis. The Council's scrutiny committees have not, for example, reviewed the SRS Annual Report or Business Plan. We found no evidence that the Council has effectively assessed the performance of the SRS in the context of these documents.
- 44 The Council is in the process of implementing a development strategy to help scrutiny chairs and members to enhance their level of challenge and address any existing skills gaps. This training will include an explanation of the Joint Working Agreement of the SRS.
- 45 At the moment, the Head of SRS and operational managers meet with scrutiny chairs and committee members informally and on an ad-hoc basis. Councillors and members interviewed felt this was a positive, two-way relationship.
- 46 The Council relies on the SRS Management Board and the SRS Joint Committee to monitor performance and escalate by exception, without systematic independent scrutiny. As a result, we do not consider that there is effective independent scrutiny in place by a designated scrutiny committee.
- 47 Review and challenge of SRS performance information is currently performed by individuals heavily involved in the service and in preparation of the performance information itself, creating a separation of duty/self-interest risk.
- 48 Outside the SRS, the Council has sought to adopt new delivery models to improve cost-effectiveness, for example, through outsourcing of pest control to a third-party

supplier. These arrangements should be subject to regular review and challenge to ensure that contracted services continue to deliver optimal value to the Council.

- 49 We note that Mitie (third party pest control contract partner) are paid on a flat fee basis regardless of the volume of callouts received in month which may mean the Council are not achieving the best value for money from the contract.
- 50 It would be beneficial for the Council to introduce more formal and independent oversight of the SRS Joint Working Agreement, as well as the outsourced pest control contract with Mitie. This should be independent of SRS / Mitie and undertaken by officers not involved in delivering the services concerned in order to ensure objectivity.
- 51 Public Accountability Metrics (PAMs) related to Environmental Health service provision are reported on a quarterly basis to the Corporate Overview and Scrutiny Committee. Outside of reporting of statutory PAMs, we have observed no evidence of SRS performance being scrutinised by any of the Council's scrutiny committees.
- 52 The Council should consider introducing more structured and targeted development and training for relevant members, as this may be beneficial to get new members familiar with the service and areas experiencing changes in legislation, e.g. pollution/food safety/infectious diseases.
- 53 Internal audit offers a further source of independent assurance to the member councils. We recognise that a review was undertaken by the Bridgend and Vale of Glamorgan Shared Internal Audit Service in 2019-20, dated June 2019. The review considered the SRS Governance and Financial Controls and provided substantial assurance.
- 54 Outside the SRS, the Council has sought to adopt new delivery models to improve cost-effectiveness, for example, through outsourcing of pest control to a third-party supplier. These arrangements should be subject to regular review and challenge to ensure that contracted services continue to deliver optimal value to the Council.
- 55 For example, we note that Mitie (third party pest control contract partner) are paid on a flat fee basis regardless of the volume of callouts received in month which may mean the Council are not achieving the best value for money from the contract.

**The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate**

- 56 In our 2014 national report on environmental health services report, we recommended that councils improve engagement with local residents over planned

budget cuts and changes in services (see [Appendix 1](#)). In order to make an informed decision, officers and members need to understand the impact of any changes on all stakeholders. For environmental health services a range of stakeholder could be affected, both external, such as businesses, local residents and other agencies and internal, staff and trade unions.

- 57 The Council undertook extensive consultation in 2013-14 prior to the SRS being established. This included staff, trade unions, elected members and other stakeholders such as the Food Standards Agency. An equality impact assessment was also undertaken. Similarly, staff and trades unions were consulted about the staff reductions in the SRS in 2018.
- 58 Given that broadly the same range of services has been provided since 2015, public consultation since the inception of SRS has not been undertaken. We are aware that the Council recently sought local residents' input into an Empty Homes Strategy via its website.
- 59 We acknowledge that the SRS has chosen not to undertake public consultation for administrative changes where frontline delivery of services is not expected to be affected.
- 60 The SRS has established its own brand and website and provides a wide range of information. The website enables local residents to access services, report food hygiene issues as well as access key documents such as the SRS business plan. However, it does not currently invite comments and feedback from the public or businesses.
- 61 The SRS makes active use of social media to inform a range of stakeholders and on a monthly basis reviews any information and feedback received in response through social media channels. This feedback is taken into account in operational management discussions.
- 62 As resources become more constrained, the Council may have to make decisions on how services will be delivered which may impact local residents. Local residents should be aware of and consulted on these decisions.

## **The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions**

- 63 Due to the initial budget reductions achieved through inception of the SRS, as well as ongoing staffing cuts, the Council is yet to explore further possibilities of commercialisation through the environmental health services. For example, other authorities have looked to introduce means-based charges for non-statutory services or set up trading companies to make use of council assets and generate revenue. This is something that it may be helpful to consider in the near future, as resources become more stretched.

- 64 The continued need to make savings means that the SRS needs to continue to look for innovative and new ways of providing services and consider the future shape of services.
- 65 Potential areas for future innovation and opportunities to increase income could include:
- new commercial and collaborative delivery models for services or for SRS as a whole;
  - use of data to predict service need and target responses rather than maintain universal service provision; and
  - further strategic support and integration with the Councils' wider service agendas including public health, community safety, health and social care, planning and economic growth.
- 66 The SRS has begun to look at digital initiatives and is trialling a Noise app to report issues, however this work is at an early stage and is not yet having a material impact on service costs or quality.

# Appendix 1

## Auditor General's recommendations – Delivering with less – the impact on environmental health services and citizens, October 2014

As part of his 'delivering with less' series of Local Government Improvement Studies, the Auditor General published his report – Delivering with less – the impact on environmental health services and citizens, in October 2014. The report contained six recommendations that are set out below:

### Exhibit 1: Auditor General's recommendations

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                     | Responsible Partners                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <p>R1 Revise the best practice standards to:</p> <ul style="list-style-type: none"><li>align the work of environmental health with national strategic priorities;</li><li>identify the wider contribution of environmental health in delivering the strategic priorities of the Welsh Government; and</li><li>identify the benefit and impact of environmental health services on protecting citizens.</li></ul>                                   | Councils, Chartered Institute of Environmental Health Cymru |
| <p>R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.</p>                                                                                                                                                                                                                                                | Councils, Welsh Local Government Association                |
| <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"><li>consulting with residents on planned changes in services;</li><li>using the findings to shape decisions;</li><li>outlining which services are to be cut and how these cuts will impact on residents; and</li><li>setting out plans for increasing charges or changing standards of service.</li></ul> | Councils, Welsh Local Government Association                |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Responsible Partners                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> <li>• identifying the statutory and non-statutory duties of council environmental health services;</li> <li>• agreeing environmental health priorities for the future and the role of councils in delivering these;</li> <li>• determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens;</li> <li>• improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> <li>– collaborating and/or integrating with others to reduce cost and/or improve quality;</li> <li>– outsourcing where services can be delivered more cost effectively to agreed standards;</li> <li>– introducing and/or increasing charges and focusing on income-generation activity;</li> <li>– using grants strategically to maximise impact and return; and</li> <li>– reducing activities to focus on core statutory and strategic priorities.</li> </ul> </li> </ul> | <p>Councils, Welsh Local Government Association, Welsh Government</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Responsible Partners                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> <li>• identifying, collecting and analysing financial, performance and demand/need data on environmental health services;</li> <li>• analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and</li> <li>• agree how digital information can be used to plan and develop environmental health services in the future.</li> </ul> | <p>Councils</p>                                                 |
| <p>R6 Clearly set out the expectations of council environmental health services under new housing and health legislation and agree how these new duties will be delivered.</p>                                                                                                                                                                                                                                                                                                                                                                                   | <p>Welsh Government,<br/>Welsh Local Government Association</p> |

# Appendix 2

## Council's progress in addressing the Auditor General's recommendations

A summary of the Council's progress in addressing the Auditor General's recommendations 2-5 in, **Delivering with less: The impact on environmental health services and citizens** (October 2014).

### Exhibit 2: Council's progress in addressing the Auditor General's recommendations

| Recommendation                                                                                                                                                                                      | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.</p> | <p>The Council is currently in the process of implementing a Development Strategy to enable scrutiny chairs and members to effectively discharge their responsibilities and address existing skills gaps. The programme is split into Essentials/Core/Needs-based training and covers, amongst others, a detailed review of the SRS Joint Working Agreement for all new scrutiny members. Scrutiny chairs and committee members interviewed represented that they consider the ad hoc support provided by the Head of SRS and Operational Managers to be sufficient to effectively discharge their duties. This is, in part, attributable to stable membership of the Committees in recent years.</p> <p>We note, however, that there is no tailored training programme for environmental health. It is anticipated that this will form part of Needs-based training programme for members involved in scrutinising performance of Environmental Health services.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"> <li>• consulting with residents on planned changes in services and</li> <li>• using the findings to shape decisions;</li> <li>• outlining which services are to be cut and how these cuts will impact on residents; and</li> <li>• setting out plans for increasing charges or changing standards of service.</li> </ul> | <p>The Council undertook extensive consultation in 2013-14 prior to the SRS being established. This included staff, trade unions, elected members and other stakeholders such as the food agency. An equality impact assessment was also undertaken.</p> <p>Further changes and budget reductions to the SRS have taken place in 2018-19 and 2019-20, which included reduction in staff numbers.</p> <p>Consultation has been undertaken and included staff and the trade unions. However, the consultation processes for both these changes did not include local residents and service users.</p> <p>The Council recently sought local residents' input into an Empty Homes Strategy via its website.</p> <p>We acknowledge that the SRS has chosen not to undertake public consultation where frontline delivery of services is not expected to be affected but would recommend that the likely impact on the full range of stakeholders should be considered and documented.</p> <p>We recognise that it may not be appropriate to consult residents and service users for all changes, but that the rationale for this decision should be documented and the likely impact considered.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> <li>• identifying the statutory and non-statutory duties of council environmental health services.</li> <li>• agreeing environmental health priorities for the future and the role of councils in delivering these.</li> <li>• determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens.</li> <li>• Improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> <li>– collaborating and/or integrating with others to reduce cost and/or improve quality;</li> <li>– outsourcing where services can be delivered more cost effectively to agreed standards;</li> <li>– introducing and/or increasing charges and focusing on income-generation activity;</li> <li>– using grants strategically to maximise impact and return; and</li> <li>– reducing activities to focus on core statutory and strategic priorities.</li> </ul> </li> </ul> | <p>The Council has improved efficiency and value for money. It has maintained performance through collaboration with others and the introduction of the SRS. Through working in partnership with the Vale of Glamorgan and Cardiff Councils it can deliver its services in a more flexible and sustainable way and has not had to restrict its service provision, although it does look to deliver things in new and innovative ways.</p> <p>The SRS provides legally mandated statutory requirements as well as optional non-statutory services. The Joint Working Agreement sets out the functions for each service area and lists the tasks but does not identify those which are statutory.</p> <p>When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help to ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services.</p> <p>Although the Council outsource its pest control contract to Mitie, it is our understanding that the Council is charged a flat fee regardless of the volume of monthly call outs. This may not represent the best value for money for the Council. We therefore recommend that any third-party contracts are managed and negotiated using a data driven approach to ensure the service is delivered cost effectively and to appropriate standards.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> <li>• identifying, collecting and analysing financial, performance and demand/need data on environmental health services;</li> <li>• analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and</li> <li>• agree how digital information can be used to plan and develop environmental health services in the future.</li> </ul> | <p>The SRS Business Plan sets out the vision and priorities for the services, how these contribute to the seven well-being goals and each Council's corporate priorities and outcomes.</p> <p>Environmental health objectives are aligned to the Council's overall strategic objectives and officers interviewed could articulate how environmental health services contribute to achieving these. Financial and performance data is reviewed on a quarterly basis and we have observed evidence of appropriate scrutiny and challenge. Some digital initiatives are being trialled to improve future delivery of services.</p> <p>We found some evidence of cost-benefit-impact analysis being undertaken to enable decision-making in relation to budget reductions. However, whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this on services and therefore local residents and businesses will be largely unknown until the £498,000 savings removed from the budget in 2019/20 begin to impact. Any future service changes should be subject to a transparent and thorough costs, benefits and impact in order to anticipate and manage the risks arising.</p> |



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# Delivering with Less – Environmental Health Services – Follow-up Review – **Cardiff Council**

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The work was delivered by Grant Thornton UK LLP under the direction of Huw Rees.

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The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements in relation to the SRS and work with SRS partners to explore opportunities for future improvement.

## Summary report

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## Detailed report

The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements in relation to the SRS and work with SRS partners to explore opportunities for future improvement

Resources available to environmental health services have reduced since 2014-15, but the Council's performance has been maintained by collaborating with two other councils through the SRS

Whilst the Council and SRS are confident that environmental health obligations are being met, neither has explicitly assessed whether this is the case. The Council and SRS would benefit from working together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions

Governance and performance management frameworks for the SRS are robust, but arrangements for review and challenge of performance information could be formalised

There is scope for the Council to improve the level of independent challenge and oversight it exercises in relation to environmental health services provided to it by the SRS

The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate

The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions

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# Summary report

## Summary

### What we reviewed and why

- 1 In October 2014, the Auditor General published a national report, [Delivering with less – the impact on environmental health services and citizens](#) (see [Appendix 1](#) for the recommendations from that report). Our local review in 2019 assessed whether there have been any budget and staff changes within the Council's environmental health services and the extent to which it has addressed the recommendations included in our 2014 national report. For the purposes of this review, we focused on the Council's progress in addressing recommendations 2, 3, 4, and 5.
- 2 Councils have numerous statutory environmental health duties and citizens highly value many of the environmental health services provided. Furthermore, environmental health services directly impact upon the health, wellbeing and safety of residents and visitors to Wales.
- 3 Environmental health services cover a range of issues, such as food safety, pest control, dog control, housing and reducing the causes and effects of air pollution.
- 4 To inform our findings, we interviewed a selection of officers and members whose remit includes Cardiff Council's (the Council's) environmental health arrangements. We also reviewed relevant documentation.
- 5 We undertook the review during the period April 2019 to June 2019.

### Background

- 6 Since 1 May 2015, Cardiff Council (the Council), Bridgend County Borough Council and the Vale of Glamorgan County Borough Council have been operating a joint service known as the shared regulatory service (SRS). The SRS provides environmental health, licensing and trading standards services. The Council continues to provide other services outside the SRS, as listed in [paragraph 11](#).
- 7 The SRS has a single management team working across the three councils. It operates under a joint agreement between the participating councils. It is governed by a Management Board (officer-led) and a Joint Committee consisting of six elected members, two from each council.
- 8 The SRS provides core services (functions common to all councils) and specific services which are unique to each council. Core services are jointly funded, and the contribution of each council is based on their population.
- 9 The SRS was established to make more effective use of the councils' resources and to enable the three councils to continue to deliver high-quality services whilst reducing costs.

- 10 This report provides an assessment of the Council’s environmental health service performance including services delivered directly by the Council (dog kennelling, pest control and environmental enforcement) as well as those delivered jointly through SRS.
- 11 **Exhibit 1** below sets out the services which were in scope of our review.

**Exhibit 1: services in the scope of our review**

| Services provided by the SRS                           | Services provided by the Council |
|--------------------------------------------------------|----------------------------------|
| Pollution Control                                      | Dog control and kennelling       |
| Food safety                                            | Pest control                     |
| Health and Safety                                      | Environmental enforcement        |
| Infectious diseases                                    |                                  |
| Private sector housing                                 |                                  |
| Port health function                                   |                                  |
| Burial/cremation of persons deceased at public expense |                                  |
| Licensing                                              |                                  |
| Night time noise                                       |                                  |

**What we found**

- 12 Our review sought to answer the question: Is the Council’s environmental health service continuing to deliver its statutory obligations given the financial challenges?
- 13 Overall, we found that the SRS model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements in relation to the SRS and work with SRS partners to explore opportunities for future improvement. We reached this conclusion because:
- resources available to environmental health services have reduced since 2014-15, but the Council’s performance has been maintained by collaborating with two other councils through the SRS.
  - whilst the Council and SRS are confident that environmental health obligations are being met, neither has explicitly assessed whether this is the case. The Council and SRS would benefit from working together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions.
  - governance and performance management frameworks for the SRS are robust, but arrangements for review and challenge of performance information could be formalised.

- there is scope for the Council to improve the level of independent challenge and oversight it exercises in relation to environmental health services provided to it by the SRS.
- the Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate.
- the Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions.

## Proposals for improvement

### Exhibit 2: Proposals for improvement

The table below sets out the proposals for improvement that we have identified following this review. Please note that the proposals for improvement apply to both services provided by the SRS and by the Council, unless stated otherwise.

| Proposals for improvement |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| P1                        | <p>The Council should subject any future changes to environmental health services to a more rigorous analysis of costs, benefits and impacts.</p> <p>We found some evidence of cost/benefit/impact analysis being performed to enable decision-making around savings and changes to services.</p> <p>However, whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, officers and members acknowledged that the real impact of this will be largely unknown until £498,000 of savings begin to take effect.</p> |
| P2                        | <p>The Council should investigate further possibilities for commercialisation and income generation for environmental health services in order to provide additional financial capacity if funding reduces in the future.</p>                                                                                                                                                                                                                                                                                                                                           |
| P3                        | <p>When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help to ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services.</p>                                                                                                                                                                        |
| P4                        | <p>The Council should introduce greater independent challenge of the level and quality of services provided by the SRS under the Joint Working Agreement.</p>                                                                                                                                                                                                                                                                                                                                                                                                           |
| P5                        | <p>The Council should work with SRS to undertake a review of business continuity and succession planning arrangements in relation to the SRS to mitigate the risk of overreliance on key individuals, such as the Head of SRS and operational managers.</p>                                                                                                                                                                                                                                                                                                             |

### Proposals for improvement

- |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| P6 | The Council should strengthen elected member oversight of its environmental health services, for example, through more regular scrutiny of services provided by third parties including the SRS.                                                                                                                                                                                                                                                                   |
| P7 | The Council should consider introducing more structured and targeted development and training opportunities for relevant members, which may be beneficial in the event of changes in personnel and in areas experiencing changes in environmental health legislation, eg air pollution/food safety/infectious diseases.                                                                                                                                            |
| P8 | The Council should more clearly link any future decisions on changes to service levels to an assessment of impact on relevant stakeholders, including service users and residents. Whether consultation is necessary, and the most appropriate means of consulting should be decided on a case-by-case basis. However, where changes are likely to impact service users, businesses and local residents, they should be aware of and consulted on these decisions. |
| P9 | The Council needs to build on initiatives, such as the Noise app, to ensure that future funding reductions can be mitigated by innovation and transformation in service delivery and that environmental health services are able to benefit from new technologies.                                                                                                                                                                                                 |

# Detailed report

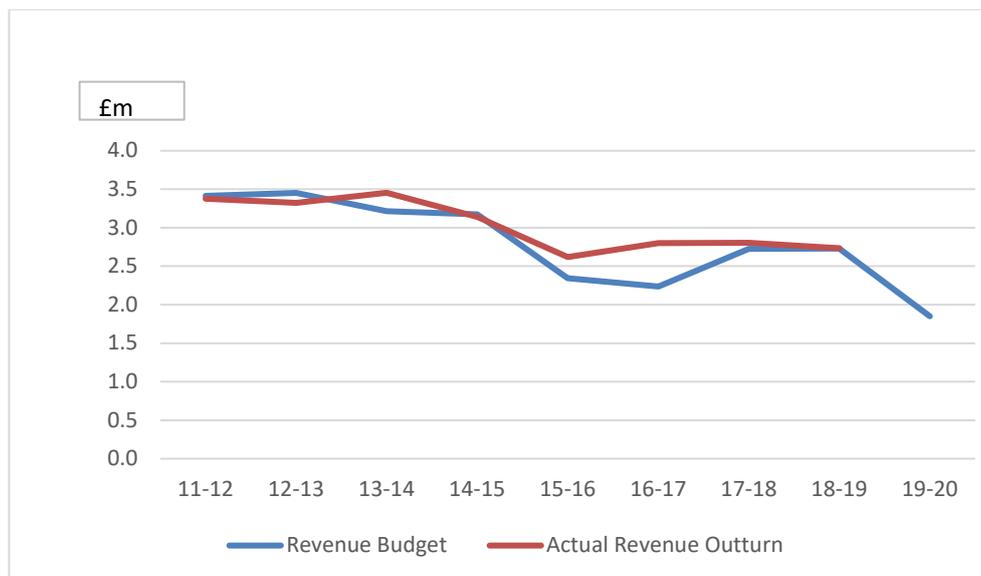
The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements in relation to the SRS and work with SRS partners to explore opportunities for future improvement

Resources available to environmental health services have reduced since 2014-15, but the Council's performance has been maintained by collaborating with two other councils through the SRS

- 14 The delivery of environmental health services through the SRS provides flexibility and resilience. Whilst resources have reduced, the SRS has been able to shift resources as priorities change and issues arise. Through the SRS, the Council has been able to continue to deliver some non-statutory environmental health services, such as food hygiene events to support local businesses.
- 15 The cost of providing the services has reduced from £3.378 million in 2011-12 to £2.735 million in 2018-19 (revenue outturn, combined Cardiff and Cardiff SRS services), as illustrated in [Exhibit 3](#), representing a reduction of 19%.

**Exhibit 3 – The Net Cost of Environmental Health Services, Cardiff and SRS Combined – Revenue Budget compared to Outturn from 2011-12 to 2019-20**

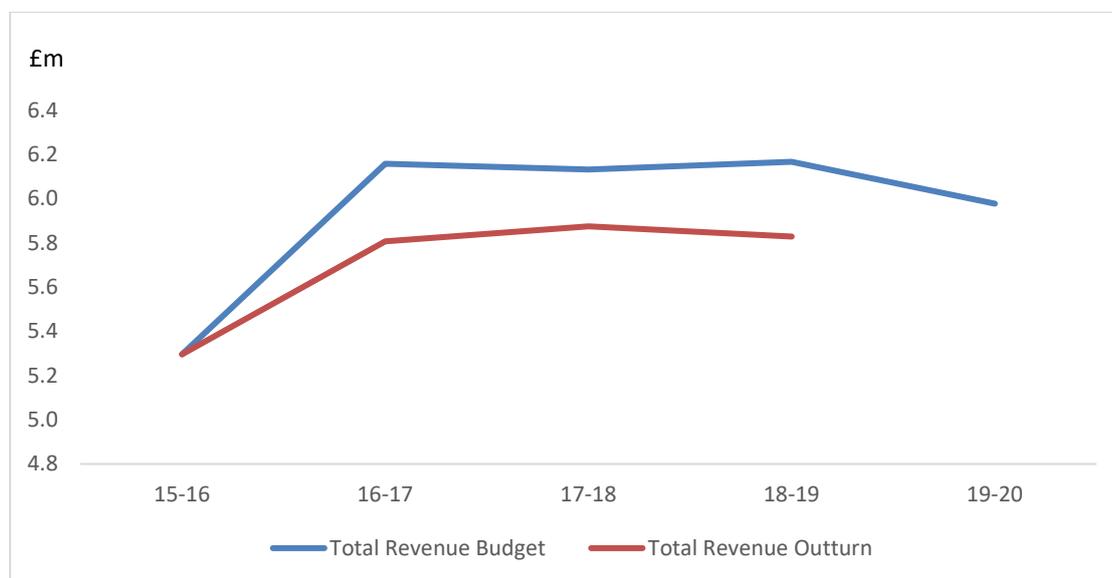
(This includes services that were retained by the Council as well as the cost of Cardiff SRS services, core and authority specific.)



Source: Wales Audit Office Delivering with Less - Review of Environmental Health Services 2015, Cardiff City Council and SRS.

- 16 The SRS provides the majority of the Council's environmental health services, except for dog control, pest control and littering and fly-tipping enforcement. **Exhibit 4** below illustrates the cost of the SRS for all three councils, showing a trend in reduction in overall costs since the creation of SRS. As the SRS began on 1 May 2015, costs for 2015-16 only reflect 11 months of the year.

Exhibit 4: Total Cost of SRS, for all three councils combined (including core and authority specific services)



Source: Cardiff City Council and SRS.

- 17 The creation of SRS delivered an immediate and significant saving in comparison to the total of the previous service budgets for the participating organisations. The SRS has agreed to deliver 5% budget reductions on an annual basis from 2018-19 to 2020-21. This represents a core budget reduction of £830,000 (of which £476,000 relates to Cardiff's contribution). These figures include all SRS services, including those outside the scope of this review, such as trading standards.
- 18 When the SRS was established, administrative costs and overheads, such as building costs remained with the individual councils. These overheads are not included within the financial information for the SRS (Exhibit 4) but are included within Exhibit 3.
- 19 The SRS achieved an underspend of £496,000 in 2018-19, of which it could retain £200,000. This was achieved due to staff vacancies and restructuring of the service during 2018. The Joint Committee has agreed that this underspend can be retained by the SRS to invest in initiatives to address the current vacancies, rather than being returned to participating councils. This demonstrates that the three councils value the role of the SRS. The remaining underspend will be returned to the councils based on the agreed funding formula.
- 20 The 2018-19 provisional outturn position for the SRS is illustrated in Exhibit 5 below.

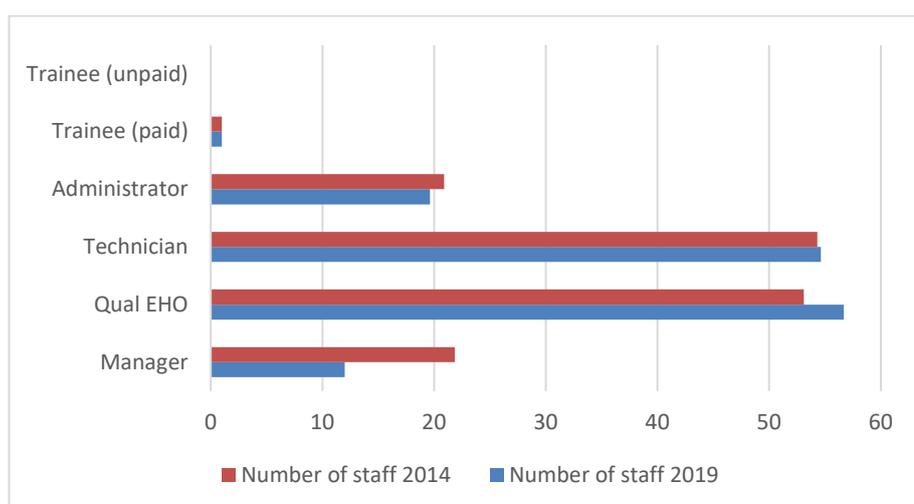
Exhibit 5: 2018-19 provisional outturn position for the SRS

| Council        | Gross budget<br>£000 | Outturn<br>£000 | Variance<br>£000 |
|----------------|----------------------|-----------------|------------------|
| <b>Cardiff</b> | <b>4,978</b>         | <b>4,789</b>    | <b>189</b>       |
| Bridgend       | 1,774                | 1,602           | 172              |
| Vale           | 1,752                | 1,617           | 135              |
| <b>Total</b>   | <b>8,504</b>         | <b>8,008</b>    | <b>496</b>       |

Source: Joint Committee papers 11 June 2019. These figures are for all services provided by SRS and includes services outside the scope of this review, such as Trading Standards.

- 21 Staff numbers have reduced from 2014 to 2019. In 2014, the three councils together employed 151.15 Full Time Equivalents (FTEs) compared to 143.92 FTEs employed by the SRS and councils combined in 2019. There is a significant reduction in the number of management posts, as the number of qualified officers and technicians has increased. This is illustrated in Exhibit 6 below.
- 22 The percentage decrease in budget savings is comparatively higher than the percentage decrease in staff numbers. Through undertaking a detailed review of proposed staff cuts the SRS has been able to maintain its service provision whilst significantly reducing costs.

Exhibit 6: Staff numbers (FTEs) employed by the SRS and the three councils combined (Cardiff, Vale of Glamorgan and Bridgend), 2014 compared to 2019



Source: 2014 figures – Wales Audit Office Delivering with Less - Review of Environmental Health Services. 2019 figures – Cardiff City Council and the SRS.

- 23 We found some evidence of cost benefit impact analysis being undertaken to enable decision-making in relation to these budget reductions. However, whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this on services and therefore local residents and businesses will be largely unknown until the £498,000 savings removed from the budget in 2019-20 begin to impact. Any future service changes should be subject to a transparent and thorough analysis of costs, benefits and impacts in order to anticipate and manage the risks arising.
- 24 The Council can demonstrate stable or improving performance over time on the majority of its performance indicators, despite the reduction in resources.
- 25 The SRS reports to the Joint Committee on ten indicators relating specifically to the Council's services, excluding trading standards. Of these ten in 2018-19, eight achieved their target, of those eight achieving their target one demonstrated an improvement in performance and two a deterioration.

**Whilst the Council and SRS are confident that environmental health obligations are being met, neither has explicitly assessed whether this is the case. The Council and SRS would benefit from working together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions**

- 26 The SRS Joint Working Agreement commits the SRS to providing legally mandated statutory requirements as well as discretionary non-statutory services. The Joint Working Agreement sets out the activities to be undertaken for each service area but does not identify those which are statutory.
- 27 The officers interviewed were generally able to articulate statutory and non-statutory service requirements in relation to their areas of responsibility within environmental health services.
- 28 From its own perspective, the Council has not explicitly assessed whether it or the SRS is meeting its statutory environmental health duties.
- 29 We note that, in certain instances, the Council has elected to continue provision of non-statutory services in order to meet wider public health objectives, for example, the pest control service provided by the Council.
- 30 It is acknowledged amongst officers and members interviewed that the Council may not be able to maintain the same range of non-statutory service provision in the future when faced with further financial pressures.

- 31 Neither the SRS nor the Council has assessed whether the Best Practice Standards<sup>1</sup> are being met, although local performance targets have been set.
- 32 The Council adopts an outcomes-based approach to service delivery and has elected to maintain priority non-statutory services to assist in delivering wider corporate and public health objectives, such as pest control provided by SRS.
- 33 However, we note that the Council has not undertaken a review to assess the extent to which it is meeting statutory environmental health obligations, and neither the Joint Working agreement nor the SRS performance reports distinguish between statutory and discretionary services.
- 34 Clearly defining statutory services, as well as the baseline/upper acceptable standards of performance, would support the Council to adopt a risk-based approach to decision-making around any future changes to services, balancing statutory requirements against strategic priorities relating to non-statutory services.

### Governance and performance management frameworks are robust, but arrangements for review and challenge of performance information could be formalised

- 35 Overall, there is a robust quarterly performance monitoring and management system in place for the SRS, with scrutiny and challenge provided through the Management Board, Joint Committee and the Environmental Scrutiny Committee.
- 36 The SRS Business Plan sets out the vision and priorities for the service, how these contribute to the seven wellbeing goals and each council's corporate priorities and outcomes.
- 37 SRS environmental health objectives are aligned to the Council's overall strategic objectives. Officers interviewed could articulate how the environmental health service contributes to achieving these. Officers and members interviewed represented that to date there have been no instances of conflicting interests between the Council and the SRS or with participating council members.
- 38 The Joint Committee has delegated authority for decisions relating to the SRS and monitors the performance of the SRS, avoiding duplication whilst enabling political representation and transparency.
- 39 The Management Board and the Joint Committee receive quarterly and annual performance reports, which is a requirement under the Joint Working Agreement. Performance reports are predominantly Key Performance Indicator (KPI) based,

<sup>1</sup> Chartered Institute of Environmental Health Wales and all-Wales Heads of Environmental Health Group, best practice standards. The standards are subject to regular review and update to take account of changes in statutory guidance; the impact of new legislation or case law; and to reflect new ways of delivering services. The standards define activity in each of the service areas and set out the characteristics that constitute: a minimum standard service; a good standard of service; and best practice in each of the areas.

supplemented by qualitative information, such as public complaints or client surveys. The performance reports cover individual Council performance, as well as SRS as a whole, and provide trend analysis for up to four preceding years. We consider the reports to be comprehensive and the breadth and coverage of data sufficient to enable informed internal decision-making.

- 40 Management information is used to provide a holistic view of the level and quality of service provision. Where possible, performance against internal targets is also compared against a set of national benchmarks.
- 41 The SRS has been able to maintain or improve performance in most areas. Where performance is shown to have deteriorated, the reasons behind this and corrective action are clearly stated.
- 42 Outside of the quarterly performance review cycle, monthly meetings take place between the Head of SRS, Operational Managers and individual Council officers and members. Specific operational and performance issues are often discussed informally at these meetings.
- 43 The Council also has corporate performance management arrangements, and this includes relevant Public Accountability Metrics. We were able to confirm that the performance indicators reported within the SRS Annual Report were consistent with those reported and held on the Council's corporate information system (CIS).
- 44 For those services provided by the Council, not SRS, such as pest and dog control, performance is monitored by the head of service and reported to the Director. Any key performance issues are addressed through the corporate performance framework. We did not identify any performance issues relating to these services during our review.
- 45 Officers and members feel that the arrangements described above are effective. However, we note that current arrangements for review and challenge of performance information are relatively informal and rely on positive working relationships between SRS and Council officers and members. Whilst this approach works well at the moment, there is a risk that it might not be resilient in the event of unforeseen circumstances, such as a significant service failure or a change in the key personnel involved.

### **There is scope for the Council to improve the level of independent challenge and oversight it exercises in relation to environmental health services provided to it by the SRS**

- 46 Environmental health issues relating to the SRS and directly provided services are scrutinised by the Council's Environmental Scrutiny Committee. This committee meets 11 times per year and considers the SRS Annual Report and Business Plan as well as specific task and finish issues, such as air quality and pest control. Minutes show that recommendations were made as a result of these reviews. The Head of SRS and Operational Managers attend these meetings as required.

- 47 The Community and Adult Services Scrutiny Committee considers environmental health matters relating to housing.
- 48 The documentation provided to members is comprehensive and enables them to assess the performance of SRS against the Business Plan and understand the challenges it faces going forward.
- 49 The Council has an induction programme for new members and mandatory training for those members involved in the licensing committee. Officer support will also be provided through pre-meetings. Short 15-minute pre-meetings are held where members are able to ask questions. The Council should consider introducing more structured and targeted development and training for relevant members, as this may be beneficial to get new members familiar with the service and areas experiencing changes in legislation, eg pollution/food safety/infectious diseases.
- 50 The Head of the SRS has separate monthly meetings with the Cabinet Member and Licensing Committee Chair in their role as Joint Committee members. Ad hoc meetings and support will be provided should individual members request this. Councillors and members interviewed felt this was a positive, two-way relationship.
- 51 Scrutiny chairs and committee members interviewed feel that the ad hoc support provided by the Head of SRS and Operational Managers is sufficient to enable them to effectively discharge their duties.
- 52 Scrutiny of SRS performance information is currently performed by individuals heavily involved in the service and in preparation of the performance information itself, creating a separation of duty/self-interest risk. It is, therefore, recommended that the Council introduces more independent review and challenge of SRS performance against agreed service standards as should be the case for any third-party provider of services on behalf of the Council.
- 53 Internal audit is a further source of independent assurance to the member councils. A review of the SRS Governance and Financial Controls was undertaken by the Bridgend and Vale of Glamorgan Shared Internal Audit Service in 2019-20, dated June 2019. The review provided substantial assurance.

**The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate**

- 54 In our 2014 national report on environmental health services report, we recommended that councils improve engagement with local residents over planned budget cuts and changes in services (see [Appendix 1](#)). In order to make an informed decision, officers and members need to understand the impact of any changes on all stakeholders. For environmental health services a range of

stakeholders could be affected, both external, such as businesses, local residents and other agencies and internal, staff and trade unions.

- 55 The Council undertook extensive consultation in 2013-14 prior to the SRS being established. This included staff, trade unions, elected members and other stakeholders, such as the Food Standards Agency. An equality impact assessment was also undertaken. Similarly, staff and trade unions were consulted about the staff reductions in the SRS in 2018.
- 56 In 2019-20, the Council increased its fixed penalty charges for littering from £80 to £100. Prior to implementing this specific increase, the Council consulted members of the public through its annual budget consultation process.
- 57 With the above exception, given that the Council has broadly provided the same range of environmental health services since 2015, it has not done any public consultation relating to environmental health services since the inception of SRS.
- 58 We acknowledge that the SRS has chosen not to undertake public consultation for administrative changes where frontline delivery of services is not expected to be affected.
- 59 The SRS has established its own brand and website and provides a wide range of information on services. The website enables residents to access services, report food hygiene issues as well as key documents such as the SRS business plan. However, it does not currently invite comments and feedback from the public or businesses.
- 60 The SRS makes active use of social media to inform a wide range of stakeholders and on a monthly basis reviews any information and feedback received in response through social media channels. This feedback is considered in operational management discussions.
- 61 As resources become more constrained, the Council may have to make decisions on how environmental health services will be delivered which may impact residents. Local residents should be aware of and consulted on these decisions.

## **The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions**

- 62 Due to the initial budget reductions achieved through the inception of the SRS, as well as ongoing staffing cuts, the Council is yet to explore further possibilities of commercialisation through the environmental health services, beyond some income generation activity in pest control.
- 63 For example, other authorities have outsourced contracts, looked to introduce means-based charges for non-statutory services or set up trading companies to make use of council assets and generate revenue. This is something that it may be helpful to consider in the near future, as resources become more stretched.

- 64 The continued need to make savings means that the SRS needs to continue to look for innovative and new ways of providing services and consider the future shape of services.
- 65 Potential areas for future innovation and opportunities to increase income could include:
- new commercial and collaborative delivery models for services or for SRS as a whole;
  - use of data to predict service need and target responses rather than maintain universal service provision; and
  - further strategic support and integration with the councils' wider service agendas including public health, community safety, health and social care, planning and economic growth.
- 66 The SRS has begun to look at digital initiatives and is trialling a Noise app to report issues. However, this work is at an early stage and is not yet having a material impact on service costs or quality.

# Appendix 1

## Auditor General's recommendations – Delivering with less – the impact on environmental health services and citizens, October 2014

As part of his 'delivering with less' series of Local Government Improvement Studies, the Auditor General published his report – **Delivering with less – the impact on environmental health services and citizens**, in October 2014. The report contained six recommendations that are set out below:

### Exhibit 7: Auditor General's recommendations

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                     | Responsible Partners                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <p>R1 Revise the best practice standards to:</p> <ul style="list-style-type: none"><li>align the work of environmental health with national strategic priorities;</li><li>identify the wider contribution of environmental health in delivering the strategic priorities of the Welsh Government; and</li><li>identify the benefit and impact of environmental health services on protecting citizens.</li></ul>                                   | Councils, Chartered Institute of Environmental Health Cymru |
| <p>R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.</p>                                                                                                                                                                                                                                                | Councils, Welsh Local Government Association                |
| <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"><li>consulting with residents on planned changes in services;</li><li>using the findings to shape decisions;</li><li>outlining which services are to be cut and how these cuts will impact on residents; and</li><li>setting out plans for increasing charges or changing standards of service.</li></ul> | Councils, Welsh Local Government Association                |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Responsible Partners                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> <li>• identifying the statutory and non-statutory duties of council environmental health services;</li> <li>• agreeing environmental health priorities for the future and the role of councils in delivering these;</li> <li>• determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens;</li> <li>• improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> <li>– collaborating and/or integrating with others to reduce cost and/or improve quality;</li> <li>– outsourcing where services can be delivered more cost effectively to agreed standards;</li> <li>– introducing and/or increasing charges and focusing on income-generation activity;</li> <li>– using grants strategically to maximise impact and return; and</li> <li>– reducing activities to focus on core statutory and strategic priorities.</li> </ul> </li> </ul> | <p>Councils, Welsh Local Government Association, Welsh Government</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Responsible Partners                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> <li>• identifying, collecting and analysing financial, performance and demand/need data on environmental health services;</li> <li>• analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and</li> <li>• agree how digital information can be used to plan and develop environmental health services in the future.</li> </ul> | <p>Councils</p>                                                |
| <p>R6 Clearly set out the expectations of council environmental health services under new housing and health legislation and agree how these new duties will be delivered.</p>                                                                                                                                                                                                                                                                                                                                                                                   | <p>Welsh Government<br/>Welsh Local Government Association</p> |

# Appendix 2

## Council's progress in addressing the Auditor General's recommendations 2 to 5

A summary of the Council's progress in addressing the Auditor General's recommendations 2 to 5 in **Delivering with less: The impact on environmental health services and citizens** (October 2014).

### Exhibit 2: Council's progress in addressing the Auditor General's recommendations

| Recommendation                                                                                                                                                                               | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions. | The Council has an induction programme for new members and mandatory training for those members involved in the licensing committee. Officer support will also be provided through pre-meetings, a short 15-minute meeting held where members are able to ask questions.<br>Other than licensing it does not have a tailored training programme for environmental health. The Head of the SRS has monthly meetings with the scrutiny chair and cabinet lead. Ad hoc meetings and support will be provided should individual members request this.<br>Although no concerns were raised during our meetings, we consider that members would benefit from the introduction of a more structured development/training programme. |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"> <li>• consulting with residents on planned changes in services and</li> <li>• using the findings to shape decisions;</li> <li>• outlining which services are to be cut and how these cuts will impact on residents; and</li> <li>• setting out plans for increasing charges or changing standards of service.</li> </ul> | <p>The Council undertook extensive consultation in 2013-14 prior to the SRS being established. This included staff, trade unions, elected members and other stakeholders such as the Food Standards Agency. An equality impact assessment was also undertaken.</p> <p>Further changes and budget reductions to the SRS have taken place in 2018-19 and 2019-20, which included reduction in staff numbers.</p> <p>Consultation has been undertaken and included staff and the trade unions. However, the consultation processes for both these changes did not include local residents and service users.</p> <p>The Council has consulted on the increase in fixed penalty notices for littering.</p> <p>We acknowledge that the SRS has chosen not to undertake public consultation where frontline delivery of services is not expected to be affected but would recommend that the likely impact on the full range of stakeholders should be considered and documented. We recognise that it may not be appropriate to consult residents and service users for all changes, but that the rationale for this decision should be documented and the likely impact considered.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> <li>• identifying the statutory and non-statutory duties of council environmental health services;</li> <li>• agreeing environmental health priorities for the future and the role of councils in delivering these;</li> <li>• determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens;</li> <li>• improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> <li>– collaborating and/or integrating with others to reduce cost and/or improve quality;</li> <li>– outsourcing where services can be delivered more cost effectively to agreed standards;</li> <li>– introducing and/or increasing charges and focusing on income-generation activity;</li> <li>– using grants strategically to maximise impact and return; and</li> <li>– reducing activities to focus on core statutory and strategic priorities.</li> </ul> </li> </ul> | <p>The Council has improved efficiency and value for money. It has maintained performance through collaboration with others and the introduction of the SRS. Through working in partnership with the Vale of Glamorgan and Bridgend Councils it can deliver its services in a more flexible and sustainable way and has not had to restrict its service provision, although it does look to deliver things in new and innovative ways.</p> <p>The SRS provides legally mandated statutory requirements as well as optional non-statutory services. The Joint Working Agreement sets out the functions for each service area and lists the tasks but does not identify those which are statutory.</p> <p>When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help to ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> <li>• identifying, collecting and analysing financial, performance and demand/need data on environmental health services;</li> <li>• analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and</li> <li>• agree how digital information can be used to plan and develop environmental health services in the future.</li> </ul> | <p>The SRS Business Plan sets out the vision and priorities for the service, how these contribute to the seven well-being goals and each council's corporate priorities and outcomes. The SRS work collaboratively with the services provided by each individual council outside of the Joint Working Arrangement, eg Cardiff's pest control service.</p> <p>Environmental health objectives are aligned to the Council's overall strategic objectives and officers interviewed could articulate how environmental health services contribute to achieving these. Financial and performance data is reviewed on a quarterly basis and we have observed evidence of appropriate scrutiny and challenge. Some digital initiatives are being trialled to improve future delivery of services.</p> <p>We found some evidence of cost-benefit-impact analysis being undertaken to enable decision-making in relation to these budget reductions. However, whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this on services and therefore local residents and businesses will be largely unknown until the £498,000 savings removed from the budget in 2019-20 begin to impact. Any future service changes should be subject to a transparent and thorough cost, benefit and impact analysis in order to anticipate and manage the risks arising.</p> <p>The SRS uses social media to engage with stakeholders, but the use of digital information to plan and develop environmental services in the future is limited.</p> |

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# Delivering with Less – Environmental Health Services – Follow-up Review – **Vale of Glamorgan Council**

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

The work was delivered by Grant Thornton UK LLP under the direction of Huw Rees.

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The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements of the SRS and work with SRS and other providers to explore opportunities for future improvement.

## Summary report 5

### Summary

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## Detailed report

The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements of the SRS and work with SRS and other providers to explore opportunities for future improvement 9

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Governance and performance management frameworks are robust but arrangements for review and challenge of performance information could be formalised 14

There is scope for the Council to improve the level of independent challenge, oversight and member scrutiny it exercises in relation to environmental health services provided by third parties 16

The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate 17

The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions 18

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# Summary report

## Summary

### What we reviewed and why

- 1 In October 2014, the Auditor General published a national report, **Delivering with less – the impact on environmental health services and citizens** (see **Appendix 1** for the recommendations from that report). Our local review in 2019 assessed whether there have been any budget and staff changes within the Council's environmental health services and the extent to which it has addressed the recommendations included in our 2014 national report. For the purposes of this review, we focused on the Council's progress in addressing recommendations 2, 3, 4, and 5.
- 2 Councils have numerous statutory environmental health duties and citizens highly value many of the environmental health services provided. Furthermore, environmental health services directly impact upon the health, wellbeing and safety of residents and visitors to Wales.
- 3 Environmental health services cover a range of issues, such as food safety, pest control, dog control, housing and reducing the causes and effects of air pollution.
- 4 To inform our findings, we interviewed a selection of officers and members, whose remit includes the Vale of Glamorgan Council's (the Council) environmental health arrangements. We also reviewed relevant documentation.
- 5 We undertook the review during the period April 2019 to July 2019.

### Background

- 6 Since 1 May 2015, Cardiff Council, Bridgend County Borough Council and the Vale of Glamorgan County Borough Council (the Council) have been operating a joint service known as the shared regulatory service (SRS). The SRS provides environmental health, licensing and trading standards services. The Council continues to provide other services outside the SRS, as listed in paragraph 11 below.
- 7 The SRS has a single management team working across the three Councils. It operates under a joint agreement between the participating councils. It is governed by a Management Board (officer-led) and a Joint Committee, consisting of six elected members, two from each council.
- 8 The SRS provides core services (functions common to all councils) and specific services which are unique to each council. Core services are jointly funded, and the contribution of each council is based on their population.
- 9 The SRS was established to make more effective use of the councils' resources and to enable the three councils to continue to deliver high-quality services whilst reducing costs.

- 10 This report provides an assessment of the Council’s environmental health service performance including services delivered directly by the Council (such as environmental enforcement) as well as those delivered jointly through SRS.
- 11 **Exhibit 1** below sets out the services which were in scope of our review:

**Exhibit 1: services which were in scope of our review**

| Services provided by the SRS                                                                                                                                                                           | Services provided by the Council                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Pollution Control<br>Food safety<br>Health & Safety<br>Infectious diseases<br>Private sector housing<br>Pest control<br>Port health function<br>Burial/cremation of persons deceased at public expense | Environmental enforcement (outsourced to a third party) |

**What we found**

- 12 Our review sought to answer the question: Is the Council’s environmental health service continuing to deliver its statutory obligations given the financial challenges?
- 13 The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements of the SRS and work with SRS and other providers to explore opportunities for future improvement. We reached this conclusion because:
- Resources available to environmental health services have reduced since 2014-15 but the Council’s performance has been maintained by collaborating with two other councils through the SRS;
  - Whilst the Council and SRS are confident that environmental health obligations are being met, neither have explicitly assessed whether this is the case and would benefit from working together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions;
  - Governance and performance management frameworks are robust but arrangements for review and challenge of performance information could be formalised;
  - There is scope for the Council to improve the level of independent challenge, oversight and member scrutiny it exercises in relation to environmental health services provided by third parties;

- The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate; and
- The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions.

## Proposals for improvement

### Exhibit 2: proposals for improvement

The table below sets out the proposals for improvement that we have identified following this review. Please note that the proposals for improvement apply to both services provided by the SRS and by the Council, unless stated otherwise.

| Proposals for improvement |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| P1                        | The Council should subject any future changes to environmental health services to a more rigorous analysis of costs, benefits and impacts. We found some evidence of cost/benefit/impact analysis being performed to enable decision-making around savings and changes to services. Whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, members and officers acknowledged that the real impact of this will be largely unknown until £498k of savings begin to take effect. |
| P2                        | The Council should investigate further possibilities for commercialisation and income generation for environmental health services in order to provide additional financial capacity if funding reduces in the future.                                                                                                                                                                                                                                                                                                                 |
| P3                        | When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help to ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services.                                                                                                                                              |
| P4                        | The Council should introduce greater challenge of the level and quality of environmental health services provided by third parties, including the SRS under the Joint Working Agreement.                                                                                                                                                                                                                                                                                                                                               |
| P5                        | The Council should work with SRS to undertake a review of business continuity and succession planning arrangements in relation to the SRS to mitigate the risk of overreliance on key individuals, such as the Head of SRS and operational managers.                                                                                                                                                                                                                                                                                   |
| P6                        | The Council should strengthen accountability and elected member oversight of its environmental health services, for example through more regular scrutiny of services provided by third parties, including the SRS.                                                                                                                                                                                                                                                                                                                    |
| P7                        | The Council should consider introducing more structured and targeted development and training opportunities for relevant members, which may be beneficial in the event of changes in personnel and in areas experiencing changes in legislation, e.g. air pollution/food safety/infectious diseases.                                                                                                                                                                                                                                   |

### Proposals for improvement

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| P8 | The Council should more clearly link any future decisions on changes to service levels to an assessment of impact on relevant stakeholders, including service users and residents. Whether consultation is necessary, and the most appropriate means of consulting should be decided on a case-by-case basis. However, where changes are likely to impact service users, businesses and local residents, they should be aware of and consulted on these decisions. |
| P9 | The Council needs to build on initiatives such as the Noise app, to ensure that future funding reductions can be mitigated by innovation and transformation in service delivery and that environmental health services are able to benefit from new technologies.                                                                                                                                                                                                  |

# Detailed report

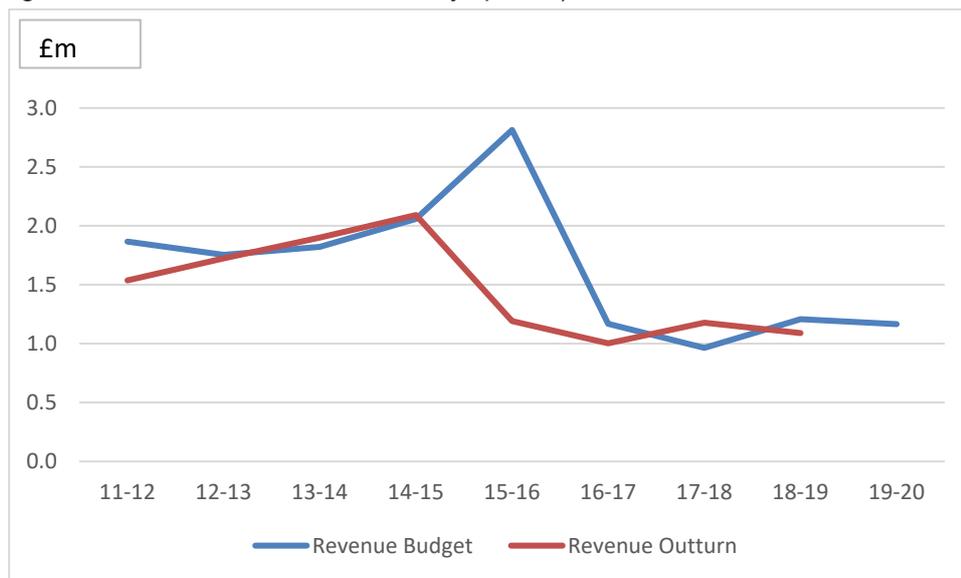
The shared regulatory services (SRS) model is enabling the Council to sustain its delivery of environmental health services in a context of reducing resources and additional responsibilities placed on it by ongoing changes in legislation. There is scope for the Council to strengthen its independent oversight and assurance arrangements of the SRS and work with SRS and other providers to explore opportunities for future improvement

Resources available to environmental health services have reduced since 2014-15 but the Council's performance has been maintained by collaborating with two other councils through the SRS

- 14 The delivery of environmental health services through the SRS provides flexibility and resilience. Whilst resources have reduced the SRS has been able to shift resources as priorities change and issues arise. Through the SRS, the Council has been able to continue to deliver some non-statutory environmental health services, such as pest control and food hygiene events.
- 15 The cost of providing the services has reduced from £1.537m in 2011-12 to £1.089m in 2018-19 (revenue outturn, combined Vale of Glamorgan and Vale of Glamorgan SRS services), as illustrated in [Exhibit 3](#), representing a reduction of 29%.

**Exhibit 3: the Net Cost of Environmental Health Services, Vale of Glamorgan and SRS Combined – Revenue Budget compared to Outturn from 2011-12 to 2019-20**

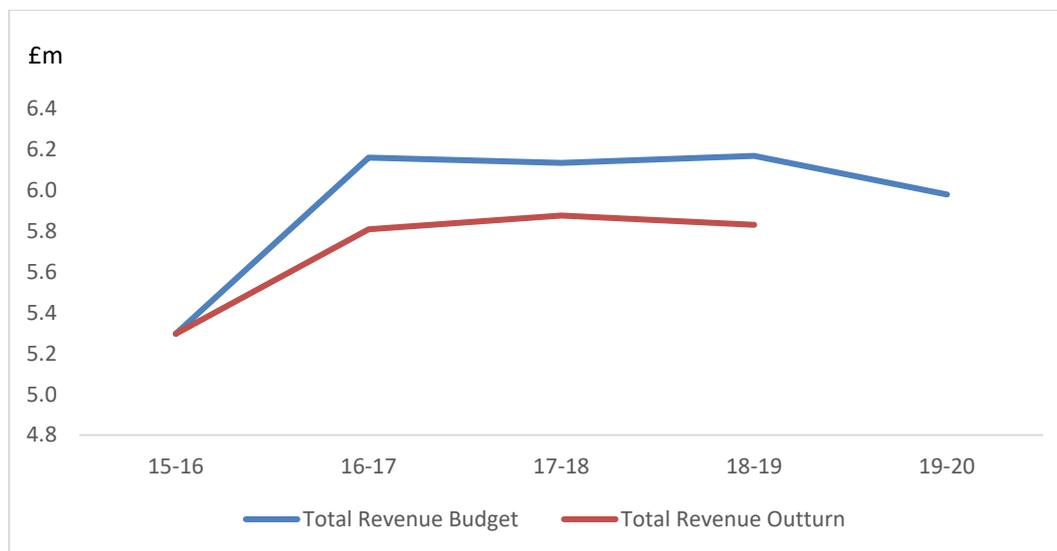
(This includes services that were retained by the Council as well as the cost of Vale of Glamorgan SRS services, core and authority specific)



Source: WAO Delivering with Less - Review of Environmental Health Services 2015, Vale of Glamorgan Council and SRS

- 16 The SRS provides the majority of the Council's Environmental Health Services except for environmental enforcement. **Exhibit 4** below illustrates the cost of the SRS for all three councils, showing a trend in reduction in overall costs since the creation of SRS. As the SRS began on the 1 May 2015, costs for 2015-16 only reflect 11 months of the year.

Exhibit 4: total cost of SRS, for all three Councils combined (including core and authority specific services)



Source: Vale of Glamorgan Council and SRS

- 17 The creation of SRS delivered an immediate and significant saving in comparison to the total of the previous service budgets for the participating organisations. The SRS has agreed to deliver 5% budget reductions on an annual basis from 2018-19 to 2020-21. This represents a core budget reduction of £830,000 (of which £166,000 relates to the Vale of Glamorgan’s contribution). These figures include all SRS services, including those outside the scope of this review, such as trading standards.
- 18 When the SRS was established administrative costs and overheads such as building costs remained with the individual councils. These overheads are not included within the financial information for the SRS (Exhibit 4) but are included within Exhibit 3.
- 19 The SRS achieved an underspend of £496,000 in 2018-19, of which it could retain £200,000. This underspend was achieved due to staff vacancies and restructuring of the service during 2018. The Joint Committee have agreed that the £200,000 underspend can be retained by the SRS to invest in initiatives to address the current vacancies, rather than being returned to participating councils. This demonstrates that the three councils value the role of the SRS. The remaining underspend will be returned to the Councils based on the agreed funding formula.
- 20 The 2018-19 provisional outturn position for the SRS is illustrated in Exhibit 5 below.

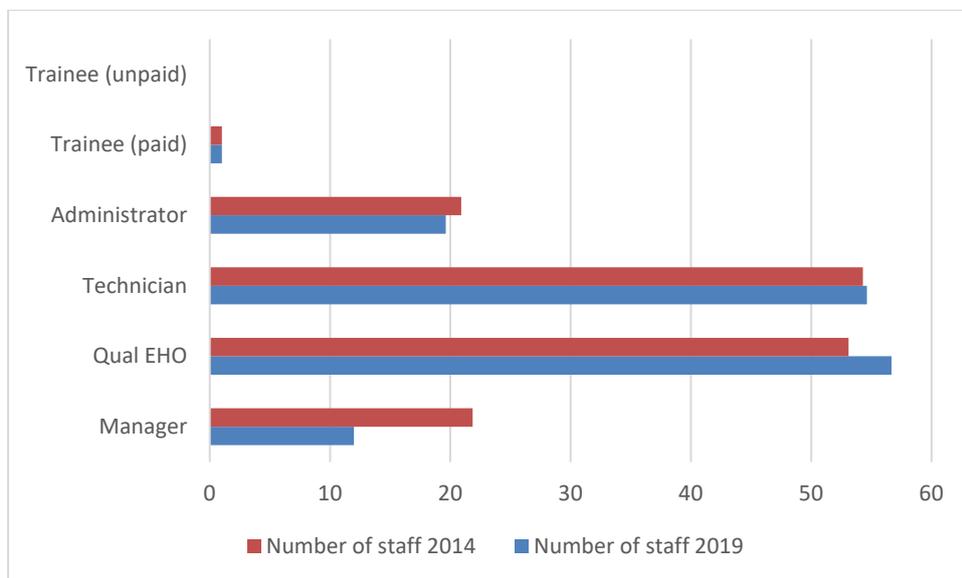
Exhibit 5: 2018-19 provisional outturn position for the SRS

| Council                  | Gross budget<br>£000 | Outturn<br>£000 | Variance<br>£000 |
|--------------------------|----------------------|-----------------|------------------|
| Cardiff                  | 4,978                | 4,789           | 189              |
| Bridgend                 | 1,774                | 1,602           | 172              |
| <b>Vale of Glamorgan</b> | <b>1,752</b>         | <b>1,617</b>    | <b>135</b>       |
| <b>Total</b>             | <b>8,504</b>         | <b>8,008</b>    | <b>496</b>       |

Source: Joint Committee papers 11 June 2019. These figures are for all services provided by SRS and includes services outside the scope of this review, such as Trading Standards.

- 21 Staff numbers have reduced from 2014 to 2019. In 2014, the three councils together employed 151.15 FTEs compared to 143.92 employed by the SRS and the councils combined in 2019. There is a significant reduction in the number of management posts, as the number of qualified officers and technicians has increased. This is illustrated in [Exhibit 6](#).
- 22 The percentage decrease in budget savings is comparatively higher than the percentage decrease in staff numbers. Through undertaking a detailed review of proposed staff cuts the SRS has been able to maintain its service provision whilst significantly reducing costs.

Exhibit 6: staff numbers (full time equivalents) employed by the SRS and the three councils combined (Cardiff, Vale of Glamorgan and Bridgend), 2014 compared to 2019



Source: WAO Delivering with Less - Review of Environmental Health Services 2015, Vale of Glamorgan Council and SRS

- 23 We found some evidence of cost benefit impact analysis being undertaken to enable decision-making in relation to these budget reductions. Whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this on services and therefore local residents and businesses will be largely unknown until the £498k savings removed from the budget in 2019-20 begin to impact. Any future service changes should be subject to a transparent and thorough assessment of costs, benefits and impact in order to anticipate and manage the risks arising.
- 24 The Council is able to demonstrate stable performance over time on the majority of its performance indicators, despite the reduction in resources. The SRS reports to the Joint Committee on ten indicators relating specifically to the Council's services, excluding trading standards. In 2018-19, nine indicators achieved their target, with one demonstrating an improvement in performance.

## Whilst the Council and SRS are confident that environmental health obligations are being met, neither have explicitly assessed whether this is the case and would benefit from working together to distinguish between statutory and non-statutory services to help inform decision making around any future budget reductions

- 25 The SRS Joint Working Agreement commits the SRS to providing legally mandated statutory requirements as well as discretionary non-statutory services. The Joint Working Agreement sets out the activities to be undertaken for each service area but does not identify those which are statutory.
- 26 The officers interviewed were generally able to articulate statutory and non-statutory service requirements in relation to their areas of responsibility within environmental health services.
- 27 From its own perspective, the Council has not explicitly assessed whether it or the SRS are meeting their statutory environmental health duties.
- 28 It is acknowledged amongst officers and members interviewed that the Council may not be able to maintain the same range of non-statutory service provision in the future when faced with further financial pressures.
- 29 Neither the SRS nor the Council have assessed whether the Best Practice Standards are being met, although local performance targets have been set.
- 30 The Council adopts an outcomes-based approach to service delivery, and has elected to maintain priority non-statutory services to assist in delivering wider corporate and public health objectives, such as pest control provided by SRS.
- 31 However, we note that the Council has not undertaken a review to assess the extent to which it is meeting statutory environmental health obligations, and SRS performance reports do not distinguish between statutory and discretionary services.
- 32 Clearly defining statutory services, as well as the baseline/upper acceptable standards of performance, would support officers and members in their decision-making around any future changes to services and provide members with additional assurance that the Council is continuing to balance statutory requirements against strategic priorities relating to non-statutory services.

## Governance and performance management frameworks are robust but arrangements for review and challenge of performance information could be formalised

- 33 Overall, there is a robust quarterly performance monitoring and management system in place for the SRS, with scrutiny and challenge provided through the Management Board, the Joint Committee and Cabinet.

- 34 The SRS Business Plan sets out the vision and priorities for the service, how these contribute to the seven well-being goals and each Council's corporate priorities and outcomes.
- 35 SRS Environmental Health objectives are aligned to the Council's overall strategic objectives and officers interviewed could articulate how the environmental health service contributes to achieving these. Officers and members interviewed represented that to date there have been no instances of conflicting interests between the Council and the SRS/ other council members.
- 36 The Joint Committee has delegated authority for decisions relating to the SRS and monitors the performance of the SRS, avoiding duplication whilst enabling political representation and transparency.
- 37 The Management Board and the Joint Committee receive quarterly and annual performance reports, which is a requirement under the Joint Working Agreement. These reports focus on Key Performance Indicators (KPIs), supplemented by qualitative information, such as public complaints or client surveys. The performance reports cover individual Council performance, as well as information for SRS as a whole, and provide trend analysis for up to four preceding years. We consider the reports to be comprehensive and the breadth and coverage of data sufficient to enable informed internal decision-making.
- 38 Management information is used to provide a holistic view of the level and quality of service provision. Where possible, performance against internal targets is also compared against a set of national benchmarks.
- 39 The SRS has been able to maintain or improve performance in the majority of areas. Where performance is shown to have deteriorated, the reasons behind this and corrective action are clearly stated.
- 40 Outside of the quarterly performance review cycle, monthly meetings take place between the Head of SRS, Operational Managers and individual Council officers and members. Particular operational and performance issues are often discussed informally at these meetings.
- 41 The Council also has corporate performance management arrangements, and this includes relevant Public Accountability Metrics. For those services provided by the Council, not the SRS, performance is monitored through the corporate performance system. We did not identify any performance issues during our review.
- 42 Officers and members feel that the arrangements described above are effective. However, we note that current arrangements for review and challenge of performance information are relatively informal and rely on positive working relationships between SRS and Council officers and members. Whilst this approach works well at the moment, there is a risk that it might not be resilient in the event of unforeseen circumstances such as a significant service failure or a change in the key personnel involved.

## There is scope for the Council to improve the level of independent challenge, oversight and member scrutiny it exercises in relation to environmental health services provided by third parties

- 43 Environmental health issues relating to the SRS and directly provided services are scrutinised by the Council's Homes and Safe Communities Scrutiny Committee. The committee meets nine or ten times per year and reviews and publishes their work plan every three months. The committee receives quarterly corporate performance reports, which incorporate the SRS's contribution to the Council's corporate objectives.
- 44 The Homes and Safe Communities Scrutiny Committee do not review the SRS Annual Report or Business Plan and as a result is not able to effectively assess the performance of the SRS in the context of these documents.
- 45 The minutes from each Joint Committee are reported to Cabinet and are presented by the Director of Environment and Housing, providing the opportunity for further review and challenge as required.
- 46 The Head of the SRS has separate monthly meetings with Joint Committee members. Ad-hoc meetings and support are provided when individual members request this. Councillors and members interviewed felt this was a positive, two-way relationship.
- 47 Scrutiny chairs and committee members interviewed feel that the ad hoc support provided by the Head of SRS and Operational Managers to be sufficient to effectively discharge their duties.
- 48 There is currently no structured training programme for members involved in Environmental Health services. There have been some recent changes in committee members following the local elections, potentially increasing the need for training in relevant areas.
- 49 Scrutiny of SRS performance information is currently performed by individuals heavily involved in the service and in preparation of the performance information itself, creating a separation of duty / self-interest risk. It is, therefore, recommended that the Council introduces more independent review and challenge of SRS performance against agreed service standards as should be the case for any third-party provider of services on behalf of the Council.
- 50 The Council should consider introducing more structured and targeted development and training for relevant members, as this may be beneficial to get new members familiar with the service and areas experiencing changes in legislation, e.g. pollution/food safety/infectious diseases.
- 51 Internal audit is a further source of independent assurance to the member councils. A review of the SRS Governance and Financial Controls was undertaken by the Bridgend and Vale of Glamorgan Shared Internal Audit Service in 2019-20, dated June 2019. The review provided a substantial assurance rating.

**The Council has consulted key external stakeholders on significant changes to environmental health services, but should more carefully consider the impact of future changes on residents and businesses and undertake direct consultation where appropriate**

- 52 In our 2014 national report on environmental health services report, we recommended that councils improve engagement with local residents over planned budget cuts and changes in services (see [Appendix 1](#)). In order to make an informed decision, officers and members need to understand the impact of any changes on all stakeholders. For environmental health services a range of stakeholder could be affected, both external, such as businesses, local residents and other agencies and internal, staff and trade unions.
- 53 The Council undertook extensive consultation in 2013-14 prior to the SRS being established. This included staff, trade unions, elected members and other stakeholders such as the Food Standards Agency. An equality impact assessment was also undertaken. Similarly, staff and trades unions were consulted about the staff reductions in the SRS in 2018.
- 54 Given that broadly the same range of services has been provided since 2015, public consultation since the inception of SRS has not been undertaken.
- 55 We acknowledge that the SRS has chosen not to undertake public consultation for administrative changes where frontline delivery of services is not expected to be affected.
- 56 The SRS has established its own brand and website and provides a wide range of information on services. The website enables local residents to access services, report food hygiene issues as well as key documents such as the SRS business plan. However, it does not currently invite comments and feedback from the public or businesses.
- 57 The SRS makes active use of social media to inform a wider range of stakeholders and on a monthly basis reviews any information and feedback received in response through social media channels. This feedback is taken into account in operational management discussions.
- 58 As resources become more constrained the Council may have to make decisions on how services will be delivered which may impact local residents. Local residents should be aware of and consulted on these decisions.

## The Council and the SRS must continue to innovate and transform services in order to help mitigate any future funding reductions

- 59 Due to the initial budget reductions achieved through inception of the SRS, as well as ongoing staffing cuts, the Council is yet to explore further possibilities for commercialisation through environmental health services. For example, other authorities looked to introduce means-based charges for non-statutory services or set up trading companies to make use of council assets and generate revenue. This is something that it may be helpful to consider in the near future, as resources become more stretched.
- 60 The continued need to make savings means that the SRS needs to continue to look for innovative and new ways of providing services and consider the future shape of services.
- 61 Potential areas for future innovation and opportunities to increase income could include:
- a. new commercial and collaborative delivery models for services or for SRS as a whole;
  - b. use of data to predict service need and target responses rather than maintain universal service provision; and
  - c. further strategic support and integration with the Councils' wider service agendas including public health, community safety, health and social care, planning and economic growth.
- 62 The SRS has begun to look at digital initiatives and is trialling a Noise app to report issues. However, this work is at an early stage and is not yet having a material impact on service costs or quality.
- 63 The Council currently holds an outsourced environmental enforcement contract with a third party provider. We understand that the intention is to bring this back in house as this may provide further income generation opportunities.

# Appendix 1

## Auditor General's recommendations – Delivering with less – the impact on environmental health services and citizens, October 2014

As part of his 'delivering with less' series of Local Government Improvement Studies, the Auditor General published his report – Delivering with less – the impact on environmental health services and citizens, in October 2014. The report contained six recommendations that are set out below:

### Exhibit 7: Auditor General's recommendations

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                             | Responsible Partners                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <p>R1 Revise the best practice standards to:</p> <ul style="list-style-type: none"><li>• align the work of environmental health with national strategic priorities;</li><li>• identify the wider contribution of environmental health in delivering the strategic priorities of the Welsh Government; and</li><li>• identify the benefit and impact of environmental health services on protecting citizens.</li></ul>                                     | Councils, Chartered Institute of Environmental Health Cymru |
| <p>R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.</p>                                                                                                                                                                                                                                                        | Councils, Welsh Local Government Association                |
| <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"><li>• consulting with residents on planned changes in services;</li><li>• using the findings to shape decisions;</li><li>• outlining which services are to be cut and how these cuts will impact on residents; and</li><li>• setting out plans for increasing charges or changing standards of service.</li></ul> | Councils, Welsh Local Government Association                |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Responsible Partners                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> <li>• identifying the statutory and non-statutory duties of council environmental health services;</li> <li>• agreeing environmental health priorities for the future and the role of councils in delivering these;</li> <li>• determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens;</li> <li>• improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> <li>– collaborating and/or integrating with others to reduce cost and/or improve quality;</li> <li>– outsourcing where services can be delivered more cost effectively to agreed standards;</li> <li>– introducing and/or increasing charges and focusing on income-generation activity;</li> <li>– using grants strategically to maximise impact and return; and</li> <li>– reducing activities to focus on core statutory and strategic priorities.</li> </ul> </li> </ul> | <p>Councils, Welsh Local Government Association, Welsh Government</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Responsible Partners                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> <li>• identifying, collecting and analysing financial, performance and demand/need data on environmental health services;</li> <li>• analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and</li> <li>• agree how digital information can be used to plan and develop environmental health services in the future.</li> </ul> | <p>Councils</p>                                                 |
| <p>R6 Clearly set out the expectations of council environmental health services under new housing and health legislation and agree how these new duties will be delivered.</p>                                                                                                                                                                                                                                                                                                                                                                                   | <p>Welsh Government,<br/>Welsh Local Government Association</p> |

# Appendix 2

## Council's progress in addressing the Auditor General's recommendations

A summary of the Council's progress in addressing the Auditor General's recommendations 2-5 in, **Delivering with less: The impact on environmental health services and citizens** (October 2014).

### Exhibit 8: Council's progress in addressing the Auditor General's recommendations 2-5

| Recommendation                                                                                                                                                                               | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions. | <p>The Council has an induction programme for new members and mandatory training for those members involved in the licensing committee.</p> <p>Other than licensing it does not have a tailored training programme for environmental health. The Head of the SRS has monthly meetings with the Joint Committee members. Ad-hoc meetings and support will be provided should individual members request this.</p> <p>Although no concerns were raised during our meetings, we consider that members would benefit from the introduction of a more structured development/training programme.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"> <li>• consulting with residents on planned changes in services and</li> <li>• using the findings to shape decisions;</li> <li>• outlining which services are to be cut and how these cuts will impact on residents; and</li> <li>• setting out plans for increasing charges or changing standards of service.</li> </ul> | <p>The Council undertook extensive consultation in 2013-14 prior to the SRS being established. This included staff, trade unions, elected members and other stakeholders such as the food agency. An equality impact assessment was also undertaken.</p> <p>Further changes and budget reductions to the SRS have taken place in 2018-19 and 2019-20, which included reduction in staff numbers.</p> <p>Consultation has been undertaken and included staff and the trade unions. However, the consultation processes for both these changes did not include local residents and service users.</p> <p>We acknowledge that the SRS has chosen not to undertake public consultation where frontline delivery of services is not expected to be affected but would recommend that the likely impact on the full range of stakeholders should be considered and documented. We recognise that it may not be appropriate to consult residents and service users for all changes, but that the rationale for this decision should be documented and the likely impact considered.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> <li>• identifying the statutory and non-statutory duties of council environmental health services.</li> <li>• agreeing environmental health priorities for the future and the role of councils in delivering these.</li> <li>• determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens.</li> <li>• Improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> <li>– collaborating and/or integrating with others to reduce cost and/or improve quality;</li> <li>– outsourcing where services can be delivered more cost effectively to agreed standards;</li> <li>– introducing and/or increasing charges and focusing on income-generation activity;</li> <li>– using grants strategically to maximise impact and return; and</li> <li>– reducing activities to focus on core statutory and strategic priorities.</li> </ul> </li> </ul> | <p>The Council has improved efficiency and maintained performance through collaboration with others and the introduction of the SRS.</p> <p>Through working in partnership with Cardiff and Bridgend Councils it can deliver its services in a more flexible and sustainable way and has not had to restrict its service provision, although it does look to deliver things in new and innovative ways.</p> <p>The SRS provides legally mandated statutory requirements as well as optional non-statutory services. The Joint Working Agreement sets out the functions for each service area and lists the tasks but does not identify those which are statutory.</p> <p>When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help to ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services.</p> <p>The Council currently outsource their environmental enforcement service, the Council is considering bringing this outsourced service back inhouse to enable it to benefit from the income that such a move might deliver.</p> |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Council's progress in addressing recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> <li>• identifying, collecting and analysing financial, performance and demand/need data on environmental health services;</li> <li>• analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and</li> <li>• agree how digital information can be used to plan and develop environmental health services in the future.</li> </ul> | <p>The SRS Business Plan sets out the vision and priorities for the service, how these contribute to the seven well-being goals and each council's corporate priorities and outcomes. The SRS works collaboratively with the services provided by each individual council outside of the Joint Working Arrangement.</p> <p>Environmental health objectives are aligned to the Council's overall strategic objectives and officers interviewed could articulate how environmental health services contribute to achieving these. Financial and performance data is reviewed on a quarterly basis and we have observed evidence of appropriate scrutiny and challenge by the Management Board and the Joint Committee. Some digital initiatives are being trialled to improve future delivery of services.</p> <p>We found some evidence of cost-benefit-impact analysis being undertaken to enable decision-making in relation to these budget reductions. Whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, it was also acknowledged amongst officers and members that the real impact of this on services and therefore local residents and businesses will be largely unknown until the £498k savings removed from the budget in 2019-20 begin to impact. Any future service changes should be subject to a transparent and thorough costs, benefits and impact in order to anticipate and manage the risks arising.</p> <p>The SRS uses social media to engagement with stakeholders, but the use of digital information to plan and develop environmental services in the future is limited.</p> |

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Action Plan (combined version for SRS Joint committee)

| Ref | Proposals for Improvement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Action/Completion Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| P1  | <p>The Council should subject any future changes to environmental health services to a more rigorous analysis of costs, benefits and impacts. We found some evidence of cost/benefit/impact analysis being performed to enable decision-making around savings and changes to services. Whilst some consideration was given to the impact of staffing restructuring over the period between 2018-2021, members and officers acknowledged that the real impact of this will be largely unknown until £498k of savings begin to take effect.</p> | <p>This proposal for improvement comments upon the delivery of SRS savings across the three Councils only and not budget reductions from the other services within the VOG.</p> <p>Future SRS changes/savings will undergo rigorous analysis across the three Councils. That process will begin again in May 2020, as the SRS sets out its next three year financial programme covering 2021 to 2024. Proposals will be considered by the SRS Management Board, Elected Members, through the review mechanisms at each Council, the Trade Unions and SRS officers.</p> <p>Changes to the other Environmental Health services delivered by the Council will also be assessed through the established Council mechanisms and that process will pay heed to the requirements of this proposal.</p> <p>Both processes will also take into account the recommendation presented in Proposal 8.</p> |
| P2  | <p>The Council should investigate further possibilities for commercialisation and income generation for environmental health services in order to provide additional financial capacity if funding reduces in the future.</p>                                                                                                                                                                                                                                                                                                                 | <p>The SRS will as part of the budgeting process for 2021/24 undertake a full assessment of existing income streams and determine what additional income might be generated without impacting upon service delivery to local people.</p> <p>Income generation on Environmental Health functions is an important part of the SRS model. SRS has generated new, and increasing, income arising through training and the operation of the Primary Authority scheme. However, Income Generation has limitations, while it will provide some respite if funding for service delivery reduces in the future, it is not a complete panacea for the</p>                                                                                                                                                                                                                                               |

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|    |                                                                                                                                                                                                                                                                                                                                                                                           | challenges facing service delivery in the future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| P3 | When considering how environmental health services may need to change in the future, the Council should ensure that the distinction between statutory and non-statutory services is clearly documented and understood by decision-makers. This will help to ensure that statutory responsibilities and powers are weighed and prioritised appropriately alongside discretionary services. | <p>Understanding the distinction between statutory and non-statutory services will provide elected members with some insight into which service are legally mandated. However, to date, the SRS business plans are geared toward outcomes; achieving those outcomes involves using all the tools available. This includes statutes that bestow powers upon the Council, but not duties. When the Joint Working Arrangement was created, it defined services in terms of ensuring public health, helping customers to access information and knowledge and securing a safe, healthy, fair, environment. From the outset, the Councils agreed that this required the use of both statutory and non-statutory legislation to achieve service and corporate goals.</p> <p>Going forward the SRS will incorporate into the Business Plans an indication of the “status” of the services being delivered and a rationale for the prioritisation of those activities.</p> <p>Additionally, when the actions identified in Proposal 1 above are undertaken, officers will ensure that decision makers are apprised of the nature of the service being delivered.</p> |
| P4 | <i>The Council should introduce greater challenge of the level and quality of environmental health services provided by third parties, including the SRS under the Joint Working Agreement.</i>                                                                                                                                                                                           | <i>Actions identified in improvement proposal P6 below will address this improvement proposal.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| P5 | The Council should work with SRS to undertake a review of business continuity and succession planning arrangements in relation to the SRS to mitigate the risk of overreliance on key individuals, such as the Head of SRS and operational managers.                                                                                                                                      | In 2020, the SRS will produce a four year review of the service to supplement the Annual reports. That review will examine trends in service delivery and service demand since inception in 2015. It will also look forward to the likely delivery mechanisms for the next three years, in line with the budget proposals. An examination of the robustness of the operating model and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|    |                                                                                                                                                                                                                                                                                 | succession planning arrangements will form part of that review.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| P6 | <i>The Council should strengthen accountability and elected member oversight of its environmental health services, for example through more regular scrutiny of services provided by third parties, including the SRS.</i>                                                      | <p><i>We will continue to build on our existing mechanisms to further strengthen scrutiny and accountability of environmental health services and those provided by third parties. We intend to:</i></p> <ul style="list-style-type: none"> <li><i>• Explore the option of re-establishing Performance Panels that will enable us to scrutinise performance in greater detail. (This action is linked to the Scrutiny Action Plan already being progressed as part of the WAO: ‘Scrutiny fit for purpose’ review.</i></li> <li><i>• Ensure that the Homes and Safe and Healthy Living and Social Care Scrutiny Committees have oversight and input into the SRS Business Plan and Work programme annually.</i></li> <li><i>• Establish a mechanism for enabling the Homes and Safe and Healthy Living and Social Care Scrutiny Committees to utilise the SRS Business Plan, and performance reporting to identify any key issues/challenges that could be reviewed/scrutinised in greater detail and form part of the scrutiny’s work programme for the year.</i></li> <li><i>• Establish a highlight reporting mechanism whereby the Head of SRS will report via the Homes and Safe and Healthy Living and Social Care Scrutiny Committees (as appropriate) updates on key developments within SRS on a regular basis that will be incorporated into each scrutiny committee’s work programme.</i></li> <li><i>• Establish a mechanism to refer items from the SRS Joint Committee to any relevant Scrutiny Committee for their consideration, where appropriate.</i></li> <li><i>• Initiate discussions with our counterparts in Cardiff and Bridgend to explore the feasibility of establishing a Joint SRS Scrutiny body.</i></li> </ul> |
| P7 | <i>The Council should consider introducing more structured and targeted development and training opportunities for relevant members, which may be beneficial in the event of changes in personnel and in areas experiencing changes in legislation, e.g. air pollution/food</i> | <i>The Head of Shared Regulatory Services will work closely with the Head of Democratic Services and the Organisation Development and Training Manager to identify and put in place a programme of briefing sessions/e-learning opportunities that</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|      | safety/infectious diseases.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | would benefit members in relation up and coming legislative and policy developments. These briefing sessions/workshops will be incorporated as part of the Member Development Programme as and when these requirements are identified.                                                                                                                                                                                                                                                                                                                        |
| P8   | The Council should more clearly link any future decisions on changes to service levels to an assessment of impact on relevant stakeholders, including service users and residents. Whether consultation is necessary, and the most appropriate means of consulting should be decided on a case-by-case basis. However, where changes are likely to impact service users, businesses and local residents, they should be aware of and consulted on these decisions.                                                                                                                                                                                                        | Currently, dialogue with stakeholders is delivered through the annual consultation on the SRS Business Plans where the programme of activities is articulated and developed through that engagement exercise. This process does not currently extend to residents and businesses. It is proposed to extend the customer satisfaction process to include the opportunity to comment upon any proposed changes in service delivery and to engage the corporate consultation mechanisms to collect more information to form part of the decision making process. |
| P9   | The Council needs to build on initiatives such as the Noise app, to ensure that future funding reductions can be mitigated by innovation and transformation in service delivery and that environmental health services are able to benefit from new technologies.                                                                                                                                                                                                                                                                                                                                                                                                         | The SRS is undertaking an ICT review in 2020 that will examine how technology can be deployed further to improve service delivery and where possible make financial savings.                                                                                                                                                                                                                                                                                                                                                                                  |
| BCBC | The Council should strengthen its "client" / contract management of its environmental health services by: <ul style="list-style-type: none"> <li>• adopting a more proactive approach to managing the performance of contractors (including the SRS) to enable the Council to hold its partners to account for their performance</li> <li>• reviewing the outsourced Mitie pest control contract, including the historical call out volume data, to seek to establish whether the current flat monthly fee payment structure represents value for money to the Council. This can be subsequently used to inform the contract renegotiation on renewal in 2020.</li> </ul> | Actions identified in P6 above will support this improvement proposal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |