

## SHARED REGULATORY SERVICES JOINT COMMITTEE

Minutes of the Remote Annual Meeting held on 29<sup>th</sup> September, 2020.

The Committee agenda is available [here](#)

Present:

Representing Bridgend County Borough Council: Councillors D. Lewis and D. Patel  
Representing Cardiff City and County Council: Councillors Ms. N. Mackie and Councillor M. Michael.  
Representing the Vale of Glamorgan Council: Councillors E. Williams and J.W. Thomas.

Also Present: Mr. S. Wyndham (Audit Wales)

(a) Appointment of Chairman –

RESOLVED – T H A T Councillor Ms. D. Patel be appointed Chairman for the current Municipal year.

(b) Appointment of Vice-Chairman –

RESOLVED – T H A T Councillor M. Michael be appointed Vice-Chairman for the current Municipal year.

(c) Minutes –

RESOLVED – T H A T the minutes of the meeting held on 10<sup>th</sup> December, 2019 be approved as a correct record.

(d) Declarations of Interest –

No declarations were received.

(e) Audit of the 2019/20 Joint Committee Financial Statements (HoF/S151) –

The audit of the Statement of Accounts for 2019/20 had now been completed, and this report provided an update on any changes from the unaudited statements, and sought approval for the signing of the Statement of Accounts by the Chair of the Committee.

As a result of the impact of the Covid-19 Pandemic, the Audit deadline had changed from 15<sup>th</sup> September 2020 to 30<sup>th</sup> November 2020. It was therefore proposed that the Audited Statement of Accounts be signed by the Auditor General on the 8<sup>th</sup> October 2020.

As there had been slight amendments to the accounts, a revised Appendix A was tabled for the Committee's consideration. This included an explanatory which detailed the amendments to the 2019/20 accounts. The report of the Auditor General for Wales and the final letter of Representation was attached as Appendix B.

The provisional findings of the Welsh Audit Office on behalf of the Appointed Auditor on the Audit of the Financial Statements were that:

- Audit Wales intend to issue an unqualified audit opinion on this year's accounts.
- Whilst the Audit Wales opinion was unqualified, they had included an Emphasis of Matter paragraph. This was in relation to material valuation uncertainty regarding two areas of the accounts:
  - I. Property, Plant & Equipment: your external valuer has expressed material valuation uncertainty concerning the 2019-20 land and buildings valuations, and Valuations of pension fund assets.
  - II. Material Valuations uncertainty exists in respect of the Shared Regulatory Services share of the pooled property investments within the Cardiff and Vale Pension Fund.
- Both issues were as a result of the Covid-19 pandemic, and were impacting on many other organisations this year.
- There had been a small number of presentational changes made to the Shared Regulatory Services Unaudited Statement of Accounts 2019/20 previously circulated to the Committee.
- There were no misstatements that remain uncorrected.

Having considered the audited Statement of Accounts for 2019/20, it was subsequently

RESOLVED –

- (1) T H A T the Shared Regulatory Services 2019/20 Statement of Accounts be approved, signed and dated by the Chair of the Committee.
- (2) T H A T the Letter of Representation to the Wales Audit Office for 2019/20 be noted, agreed, signed and dated by the Chair of the Committee.
- (3) T H A T the report of the Appointed Auditor on the audit of the Shared Regulatory Service Financial Services for 2019/20 be noted.

#### Reasons for decisions

- (1) That the Statement of Accounts be approved prior to the deadline.

(2) That the signed Letter of Representation is returned to Wales Audit Office.

(3) To ensure that the Members are aware of the results of the audit of the 2019/20 Financial Statements of the Shared Regulatory Service.

(f) Shared Regulatory Services Business Plan (DEH)–

The purpose of the report was to seek approval for the Shared Regulatory Services Business (SRS) Plan 2020/21.

The draft SRS Business Plan reflected the aspirations set out in each of the participant Councils' Corporate Plans, along with the national priorities agreed for Regulatory Services in Wales. Performance was monitored and measured with quarterly and annual reviews by the SRS Management Team and SRS Management Board. The SRS plan ensured that the partner Councils continued to meet statutory requirements and to continuously improve service delivery.

The draft SRS Business Plan had a “golden thread” or “line of sight” to the corporate priorities of the respective Councils. The strategic themes of the Shared Regulatory Service identified the areas of work that were delivered in support of these corporate priorities.

The draft SRS Business Plan has been the subject of consultation with the SRS officers, senior managers at the partner Councils and a range of stakeholders. In previous years the Business Plan has been subject to Scrutiny committee assessment, however this year, the Covid outbreak has hindered the process and interaction on the plan has been remote.

The 2020/21 draft plan presented a realistic acknowledgement of the challenges and resource limitations within which SRS was trying to deliver essential services; not least the Covid outbreak. There was broad support for continued use of the existing strategic priorities namely:

- Improving health and wellbeing;
- Safeguarding the vulnerable;
- Protecting the local environment;
- Supporting the local economy;

All of the above were underpinned by a fifth strategic priority, that of “maximising the use of our resources”.

The 2020/21 draft Plan, like those previously approved by the Joint Committee, sets out the full range of services provided by SRS providing an indication of the activities planned for the 20/21 period, the financial projections for the year, and a review of performance for 2019/20.

The plan contained proposed service improvement targets aligned with the Well-being Objectives and Corporate Health priorities. These were set out in Section 6 of the Plan which outlined the proposed targets and included all relevant performance

indicators that would enable the partner Councils to demonstrate progress against achieving their corporate Plan Well-being Objectives. Targets had been set for those performance indicators that were continuing into 2020/21 where appropriate to do so.

A Committee Member queried whether given the impact of Covid-19 it was realistic to achieve all Business Plan actions. In reply, the Head of the Shared Regulatory Service outlined that when the Plan was written in June, it would have been a push to achieve all actions. It was now 29<sup>th</sup> September and health restrictions were once again being introduced so there would be significant challenges as resources were redirected to help with the spread of the infection. There would be key parts of the Plan that the service would focus on and deliver but unless there was a rapid improvement with the pandemic then some elements would have to be put aside.

A Member queried resource implications relating to work around the Public Health (Wales) Act. In response, the Head of the Shared Regulatory Service advised that one of the SRS Officers had been seconded to Welsh Government to deliver this piece of legislation and that Officer had been subsequently moved to work on the Covid-19 activity. This meant that work around the new Act had taken a back seat.

In terms of overall resource implications, the Head of the Shared Regulatory Service commented that there was a continuing challenge with finding suitably qualified people, which was seen across other parts of Wales.

There was consensus amongst the Committee that the Business Plan was a very interesting and well put together document, with Members happy to approve the content. Subsequently, it was

RESOLVED –

- (1) T H A T the contents of the Shared Regulatory Services 2020/21 Business Plan be approved.
- (2) T H A T the Head of Shared Regulatory Services be authorised to make administrative amendments to the 2020/21 Business Plan should the need arise.

#### Reasons for decisions

- (1) The Joint Working Agreement specified (at Clause 14) that each year the Head of Shared Regulatory Services will develop a draft Business Plan under the direction of the Management Board.
- (2) The purpose of the Business Plan, as specified by the Joint Working Agreement, is to update the information contained in the previous Business Plan, and to identify proposes for service activities, business and financial objectives, efficiency targets, business continuity planning, risk management, indicative staffing levels and changes, performance targets, costs and income. The JWA further specifies that a draft Business Plan is submitted to the Joint Committee for approval, and, once approved, circulated to each participant authority's Head of Paid Service.

(3) Authorising the Head of Shared Regulatory Services to make administrative amendments to the Business Plan will enable minor changes to be made, as and when needed during the course of the year, without the need to bring the matter back to the Joint Committee. As well as reducing the burden on the Joint Committee this approach means that minor changes can be made promptly in response to any issues that arise.

(g) Shared Regulatory Services Annual Report (DEH) –

The Head of Service presented the report which provided an update on performance and the financial position of the Shared Regulatory Service (SRS) for 2019/20.

The Shared Regulatory Service (SRS) is a collaboration between Bridgend County Borough Council, the County Council of the City and County of Cardiff and the Vale of Glamorgan Council that commenced on the 1st May 2015, and was charged with the provision of Regulatory Services across the Authorities.

The Joint Working Agreement (JWA) requires the Head of the Shared Regulatory Service and the Head of Finance to produce an Annual report which, once approved, by the Committee, be forwarded to the partner Councils.

The report indicated that the Shared Regulatory Service had consolidated service delivery in accord with the agreed standards and delivered the requisite financial savings. However, the report indicated that more demands were being placed upon the service at a time of reducing resources.

The Shared Regulatory Service was reporting an overall overspend of £46k against the 2019/20 gross revenue budget of £8.190m. This was primarily due to the expenditure relating to investigations and interventions in quarter 4. The Head of Finance/Section 151 Officer advised that it had been agreed that where there had been an overspend, the respective Authority would make a reimbursement (which in this circumstance was Cardiff), and similarly where there had an underspend, the money would be sent back (this being Bridgend and the Vale of Glamorgan).

The Draft Shared Regulatory Services (SRS) Statement of Accounts 2019/20 was presented to Committee, to be signed by both the Chair of the Committee and the Section 151 Officer as Treasurer of the Committee, to formally invite Welsh Audit Office to commence their audit of the account.

This was the fifth report produced under this requirement and covered the period 1st April 2019 to 31st March 2020. If agreed, a copy of the report must be sent to the Head of Paid Service of each of the three Councils along with the SRS Business Plan for 2020/21. The report outlined the many of the actions undertaken at each partner Council to deliver the wide range of statutory functions assigned to the Service. The report provided a review of operations across the service, a summary of the financial position, and outlines performance against the 2019/20 service objectives.

As a regional organisation, providing regulatory services across three Local Authority areas, the SRS sought to ensure that the corporate priorities and stated outcomes of the three Councils were at the heart of all its activities. Using them as a focus, the strategic priorities for the SRS:

- Safeguarding the vulnerable;
- Improving health and wellbeing;
- Protecting the environment;
- Supporting the local economy;
- Maximising the use of resources.

The above provided a robust base for achieving the outcomes identified in the 2019/20 Business Plan and the partner Councils' corporate aspirations.

The JWA, executed in April 2015, and updated in July 2017, underpinned the entire service provision. The JWA contained a number of "milestones and requirements". In accordance with those requirements:

- The Wales Audit Office completed an independent financial audit of the service in September 2019; there were no recommendations for improvement;
- The service set its budget in December 2019 for the 2020/21 period. This implemented the final year of a 3 year budget reduction programme which set out a budget reduction of 5% p.a. for the period to March 2021;
- The Business Plan for 2020/21 was presented for political approval in other papers, following consultation with stakeholders;
- The Joint Committee would receive an audited statement of accounts for 2019/20 in September 2020.

The 2019/20 Annual report illustrated that the SRS had delivered the requisite financial savings, but the report indicated that more demands were being placed upon the service at a time of reducing resources and that the largest budget saving would be made from the 2019/20 allocation of money. The WAO audit report highlighted this matter and was considered in more detail later on in the report. The Key Milestones for 2019/20 were:

- Delivery of the SRS Business Plan 2019-2020
- To review recruitment and retention processes to ensure that the SRS can attract and retain skilled officers
- To review the agile working arrangements for the service to ensure that technology was being exploited fully to improve service delivery.
- To monitor the implementation of new legislation and any requirements imposed by such legislation upon the Service. Generally new requirements can be planned for and effectively resourced, for example the Public Health (Wales) Act 2017 the Public Health (Minimum Price for Alcohol) (Wales) Act 2018, the Renting Homes Act 2019. However, it was not always easy to predict the impact that new legislation may have on resources. The uncertainty on membership of the EU has the potential to exacerbate such matters. The great uncertainty was the quantum of change and the unknown time scales within which that change must take place.

In addition, the report provided an update on the following areas:

- Human Resources;
- Operational performance;
- Improving health and wellbeing;
- Safeguarding the vulnerable;
- Protecting the environment;
- Animal feeding stuffs;
- Air quality;
- Supporting the local economy;
- Maximising the use of resources;
- Financial performance;
- Challenges moving forward.

Following consideration of the Annual Report for 2019/20, it was

RESOLVED – T H A T the report be approved, and authorisation granted to the Managing Director, Vale of Glamorgan Council, to forward a copy of the report to the Heads of Paid Service of the other partner Councils.

Reason for decision

To meet the requirements set out in Clause 5.1 of the Joint Working Agreement.

(h) Shared Regulatory Services - Food Law Enforcement Service Plan 2020/21 (DEH) –

The Operational Manager Commercial Services presented the report which sought approval for the 2020/21 Food Law Enforcement Service Plan.

The Operational Manager highlighted an oversight in the covering report and indicated that the correct date of the meeting should read 29<sup>th</sup> September and the purpose of the report should refer to the Food Law Enforcement Service Plan and not the Health and Safety Service Plan.

The Councils had a duty, which had been delegated to the Joint Committee, to enforce the Food Safety Act 1990; the Official Food and Feed Controls (Wales) Regulations 2009 and a wide variety of other food / feed legislation including the Food Hygiene (Wales) Regulations 2006.

As part of the Food Standards Agency's Framework agreement the Councils were required to produce a Food Safety Service Plan setting out the arrangements in place to discharge these duties. This Food and Feed Law Enforcement Service Plan was produced in response to that requirement and was designed to inform residents, the business community of Bridgend, Cardiff and the Vale of the arrangements the Councils had in place to regulate food safety.

A copy of the draft Food & Feed Law Enforcement Service Plans for 2020/21 for the Shared Regulatory Service had been attached to this report as Appendix 1.

The Service Plan detailed how the Shared Regulatory Service would fulfil the major purpose of ensuring the safety and quality of the food chain to minimise risk to human and animal health.

To achieve this, the Councils will conduct inspections in accordance with the intervention programme, carry out investigations including dealing with complaints, provide advice/education and provide guidance on what the law requires, undertake sampling and take enforcement action where appropriate.

The plan detailed the demands on the service, the risk-based work programme and the resources available to deliver the required work. As with many other Council services the service faced increasing demands with reducing resource.

The plan explained the Food Standards Agency expectations of Local Authorities, some of the achievements in 2019/20, and the challenges for the year ahead.

In reply to a query regarding the impact of Brexit, the Operational Manager stated that overall this was still an unknown, but it was important to recognise that Cardiff Airport or the seaports were not designated entry points for high risk products. The SRS was working closely with the Ports should there be any legal changes. In terms of the inspections, the Operational Manager stated that if more new businesses became operational, then there would be a need to undertake more inspections. This was particularly relevant to Cardiff where there was a high turnover. This meant that there were challenges to meet inspection targets as a result of new business which was on top of the work being undertaken due to Covid-19 to ensure that businesses were supported.

A Member queried whether there had been an overall drop in Food Standards during the pandemic. The Operational Manager advised that the SRS would still respond to complaints or intelligence received from the public if there were concerns with food hygiene standards. Officers were still investigating and carrying out enforcement actions. High risk inspections would pick up any issues, but there were challenges for Officers, such as Personal Protective Equipment and the way inspections were approached particularly with the smaller kitchens. The Operational Manager outlined that the Team was still very busy, remaining relevant by encouraging consumers to report matters of concern and by responding to issues identified at high risk businesses.

The Committee also noted that laboratories for testing of food samples were in high demand, but the Service was confident that if there were food hygiene issues, the results of tests would be available within the required timescales.

A Committee Member referred to "Dark Kitchens", which had increased in numbers during the Covid-19 pandemic. In reply, the Operational Manager stated that this had been a concern even before the outbreak of the pandemic. In order to make people aware and as a way of reporting, the Shared Regulatory Service had set up a Facebook page in order to monitor who was operating and to see if food standards



were being maintained. The Operational Manager added that it was not uncommon to traders to operate safely from home but only if they had the right controls in place and registered as a legitimate business.

RESOLVED –

- (1) T H A T the 2020/21 Food and Feed Law Enforcement Plan be approved.
- (2) T H A T the Head of the Shared Regulatory Services be authorised to make administrative amendments to the 2020/21 Food and Feed Law Enforcement Service Plan should the need arise.

#### Reasons for decisions

- (1) The Food Standards Agency requires all Local Authorities to produce and approve an annual plan that sets out how it is going to discharge its responsibilities.
- (2) To ensure the plan remains up to date should any changes in law or best practice be introduced during the period.

#### (i) Overview and Update of the Shared Regulatory Services (DEH) –

The Head of Service presented the report which provided an update on the work undertaken by the Shared Regulatory Service (SRS) and progress towards completing the actions contained in the SRS Business Plan.

SRS Business Plans were developed in consultation with stakeholders; they informed and directed the work of the service and contributed toward the corporate priorities of each partner Council. The service had five key aims, namely:

- Improving Health and Wellbeing
- Safeguarding the Vulnerable
- Protecting the Local Environment
- Supporting the Local Economy
- Maximising the use of our resources

The report contained information outlining how the service was working to achieve better outcomes for residents and businesses within the region through a series of different actions and work programmes. The report provided an overview of activities undertaken in the period April to September 2020, detailed under the following areas:

- Human Resources
- Financial Position Quarter 1 – Appendix 1
- Performance Monitoring – Appendix 2
- Service Update – Covid-19 related work including (infographic contained in Appendix 3); Business Closure and social distancing, Scams and unfair

trading, Test Trace and Protect (TTP) Scheme, Support for re-opening of businesses and Product safety testing on Personal Protective Equipment.

In addition, the SRS publishes a number of operational plans to advise stakeholders of the work to be carried out in certain environments. The document attached at Appendix 4 was the Communicable Disease and Port Health Plan, which sets out how the SRS would fulfil its role of protecting public health through the investigation of cases and outbreaks of communicable disease and the application of control, preventative and enforcement measures.

The plan related to the 'business as usual' services relating to communicable disease and did not fully describe the services contribution to TTP arrangements. It should not however be underestimated how the TTP programme contributed to protecting public health during the Covid-19 pandemic.

The Joint Committee consider the draft Communicable Disease and Port Health Plan and approved its use in the SRS region. In addition, the Joint Committee was asked to authorise the Head of the Shared Regulatory Service to make administrative amendments to the 2020-21 Plan, should he need arise.

Section 18 of the Health and Safety at Work Act requires Local Authorities to produce a Health and Safety Service Plan setting out the arrangements in place to discharge these duties. A copy of the draft Health and Safety Enforcement Service Plan for 2020-21 was attached as Appendix 5 to the report and was designed to inform residents as well as the business community of Bridgend, Cardiff and the Vale of Glamorgan, on the arrangements the Councils had in place to regulate health and safety.

The Joint Committee was asked to consider the draft Health and Safety Enforcement Service Plan and approve its use in the SRS region. In addition, Joint Committee was asked to authorise the Head of the Shared Regulatory Service to make administrative amendments to the 2020-21 Plan, should he need arise.

Finally, details of recent cases investigated by the SRS that have resulted in prosecution are set out in Appendix 6.

Overall, the Committee praised and recognised the amount of work being undertaken by the SRS and offered its thanks and appreciation to all the Officers.

RESLOVED

- (1) T H A T the contents of the report be agreed.
- (2) T H A T the draft Communicable Disease and Port Health Plan be approved for use in the SRS region, and the Head of the Shared Regulatory Service be authorised to make administrative amendments to the 2020-21 Plan, should the need arise.
- (3) T H A T the draft Health and Safety Enforcement Service Plan be approved for use in the SRS region, and the Head of the Shared Regulatory Service be

authorised to make administrative amendments to the 2020-21 Plan, should the need arise.

(4) T H A T the amount of work and effort by the staff of the SRS in ensuring public health and safety be recognised.

#### Reasons for decisions

(1) The report apprises the Committee of the work of the service and the progress toward completing the actions contained in the SRS Business Plans.

(2) To ensure that the Shared Regulatory Service has robust arrangements in place to fulfil its role of protecting public health through the investigation of cases and outbreaks of communicable disease and the application of control, preventative and enforcement measures.

(3) To ensure that the Shared Regulatory Service has robust arrangements in place to deliver its obligations as an enforcing authority under the Health and Safety at Work Act 1974 and comply with statutory guidance.

(4) In recognition of the efforts by staff in ensuring public health and safety.

(j) Matter Which the Chairman had Decided Was Urgent –

RESOLVED - T H A T the following matter which the Chairman had decided was urgent for the reason given beneath the minute heading be considered.

(k) Audit Wales - Audit Enquiries to those Charged with Governance and Management (HoF/S151) –

(Urgent by reason of the need to review the Audit Enquiries as part of the process to approved the Shared Regulatory Services Joint Committee Accounts by 30<sup>th</sup> September, 2020)

The report had been taken has an urgent item because of the requirement for the Joint Committee to review the Audit Enquiries as part of the process to approve the Shared Regulatory Services Joint Committee Accounts by 30th September 2020.

Mr. S. Wyndham (Audit Wales) presented the report which informed members of the information provided to Audit Wales as part of the Annual Audit of the Accounts.

Audit Wales, in its audit of the Shared Regulatory Services financial accounts for the year ended 31st March 2020 was required to conduct the audit in accordance with the requirements set out in international standards for auditing (ISA's).

As part of the requirements of the ISA's, Audit Wales had written to the Head of Finance seeking a number of governance areas impacting upon the audit of the accounts relevant to both management and "those charged with governance".

Those areas of governance where views were sought were identified in Annex A along with the Council's response and encompassed:

- Matters in relation to fraud - Appendix 1;
- Matters in relation to laws and regulations - Appendix 2; and
- Matters in relation to related parties - Appendix 3

Having considered the Urgent Item, it was

RESOLVED - T H A T the Shared Regulatory Services Committee notes the content of the report.

Reason for decision

In order to make the Shared Regulatory Services Committee aware of the process and the arrangements in place.