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SHARED REGULATORY SERVICES JOINT COMMITTEE

Minutes of the Remote Meeting held on 23rd March, 2021.

The Committee agenda is available [here](#)

Present:

Representing Bridgend County Borough Council: Councillors D. Lewis and D. Patel (Chairman).

Representing Cardiff City and County Council: Councillor Mrs. N. Mackie and M. Michael (Vice-Chairman).

Representing the Vale of Glamorgan Council: Councillor E. Williams.

(a) Apology for Absence –

This was received from Councillor J.W. Thomas (Vale of Glamorgan Council)

(b) Minutes –

RESOLVED – T H A T the minutes of the meeting held on 8th December, 2020 be approved as a correct record.

(c) Declarations of Interest –

No declarations were received.

(d) 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

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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 October to December 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 reopening and enforcement, Vaccination programmes, Test Trace and Protect (TTP) Scheme;
- Licensing Policy and enforcement; and
- Welsh Government Consultation papers including Air Quality and Reducing Emissions for Domestic Burning of Solid Fuels.

The Chairman commented that more public communication would be needed in respect of Air Quality.

The Committee was also apprised of a Welsh Government issued White Paper setting out its proposals for a comprehensive reform of legislation that contributes to building safety in Wales. This focused on legislative change across the lifecycle of buildings as well as setting out aspirations for a sea-change in the way buildings are designed, constructed, and managed. The tragic fire at Grenfell Tower had showed the need to make changes and improvements to the building safety system. An independent review and the inquiry into the Grenfell Tower fire, together with the work of the Building Safety Expert Group had identified areas for improvement. The proposals in the White Paper built on the work set out in the Building Safety Expert Group's report – 'Road Map to Safer Buildings in Wales'. It was a long and wide-ranging document with many proposals put forward, these would include: -

- The new Building Safety Regime would cover all multi-occupied residential buildings.
- The scope of the regime would capture a house converted into two flats, a licensed house in multiple occupation (HMO), through to a high-rise apartment block.
- Introduces the concept of category 1 and 2 buildings dependent on nature of risk, with category 1 buildings subject to the greatest requirements.
- The Hackitt Review identified that there was a conflict of interest as a result of developers choosing their own provider for building control services. For Category 1 buildings, the draft Bill proposes to remove the element of choice – the local authority will provide the Building Control for all residential buildings over 18m or more in height.
- All buildings within the scope of the regime would as a minimum:
 - Have to be registered – a process which would clearly identify the Accountable Person;
 - Have to have an annual fire risk assessment undertaken by a suitably qualified person; and

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- Have to record the outcomes of the fire risk assessment.

The White Paper also outlines a number of potential Regulatory regimes being considered which include single or multiple Regulators and a scheme of mandatory Registration of new buildings. Any additional enforcement responsibilities as a result of the White Paper would require new resource to be identified.

It was noted that the White Paper represented a significant change in the landscape of building safety. However, the regime would not be retrospective and did not provide an immediate solution for leaseholders and occupiers in buildings which were currently defective due to cladding or compartmentation issues.

To understand fully the scope of the non-compliances Welsh Government proposed to fund in 2021 a Joint Inspection Team (JIT) to work alongside local authorities to help them enforce against landlords / responsible parties using existing powers. The JIT would be a multi-disciplinary team representing expertise from the existing enforcement bodies.

It was proposed that JIT would accompany local authority staff to high rise residential buildings to inspect buildings, report on the state of the building and identify any hazards or defects that could form the basis for enforcement action. The team would then advise the local authority on how to take enforcement action if appropriate. This was similar to an existing JIT that had been established in England and the SRS had been in discussion with Welsh Government.

In September 2020, the UK Government commissioned an independent review of competition policy, with the purpose of identifying the reforms needed to best position the country for prosperity in a post-EU exit and post-COVID world. Led by Bob Penrose MP, the review concluded in February 2021 with the publication of a report entitled 'Power to the People – Stronger Consumer Choice and Competition so markets work for people, not the other way around'

The report outlined that When properly aligned, the UK's competition regime could encourage innovation, promote productivity, and crucially, enable consumers to get a better deal. The review had explored options for encouraging competition in the UK, cutting red tape and improving consumer confidence. While acknowledging the long-established principles of consumer protection, the importance of empowering consumers and giving them the confidence to spend was seen as being central to economic recovery. The report included proposals to guard against new scams as well as to ensure that citizen-consumers could expect fair treatment when they shop; particularly when online transactions were involved.

Making the best possible use of data, technology and digital skills was seen as vital to the modern economy, and accordingly, the report made recommendations to secure the future funding of the Competition and Markets Authority's (CMA) new Digital Markets Unit. Likewise, the report called for the small claims court and alternative dispute resolution services to become

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universally available, 24/7, and be as cheap and simple to use as an app on a mobile phone.

Recognising the role and value of regulators in this field, the Penrose report recommends a strengthening of both the CMA, and local authority Trading Standards Services (LATS). In the case of the latter, it also highlights the danger of an 'enforcement gap' becoming embedded if Trading Standard services were insufficiently resourced, with the following commentary reflecting the scale of the problem:

'LATS teams have been hollowed out in some – but by no means all - parts of the country by Councils facing budget pressures' and 'Almost half of all LATS do not believe that their team has sufficient skills to cover the full range of Trading Standards responsibilities'

In response, the report recommends the creation of a new statutory duty for minimum standards in local Trading Standards services 'including powers to mount antitrust and consumer investigations and provide ringfenced resources so they can deliver them well'. It goes on to suggest that the new statutory duty should define the outcomes which have to be achieved but leave local Councils to decide how best to deliver them, thereby allowing local control and creativity.

The UK Government had said it would consider the report's recommendations and respond to them in due course, as part of the wider agenda to rebuild the economy.

The Joint Committee once again expressed its thanks and appreciation to the SRS staff that had shown great commitment in responding to the Covid-19 pandemic.

Subsequently, it was

RESOLVED – T H A T the contents of the report be agreed.

Reasons for decision

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

(e) Shared Regulatory Services Fees and Charges 2021-22 (DEH) –

The report set out the proposed fees to be charged in by Shared Regulatory Service (SRS) in the 2021-22 financial year, for a range of licensing and other services. The Joint Committee was asked to approve the recommendations made with respect to the setting of those fees for which it had responsibility.

For completeness, the report also sets out fees which SRS would be required to charge during the 2021-22 financial year, but which were set by external bodies

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such as the Association of Port Health Authorities and the UK and Welsh Governments.

The report outlined that where any fees charged resulted in a surplus, that surplus must be used to reduce the fees charged in the following year. It was possible to extend the reinvestment of the surplus over more than one year, but this would need careful consideration about whether contributors may leave the licensing system over that period and therefore lose out on the return.

Deficits could similarly be recovered, although where there was a significant deficit, Councils may want to consider how recovery could be undertaken over more than one year so as not to financially harm otherwise viable businesses.

To ensure that fees remained reasonable and proportionate, the SRS had established a regular review process and reports the findings to the Joint Committee in the form of this annual fees report. These annual reviews would allow for the fine tuning of fees and put in place steps to avoid either a surplus or deficit accumulating in future years.

As part of this annual fee setting process, reference was always made to the Consumer Prices Index (CPIH) for the previous August when setting the rate of increase, and this was consistent with a range of governmental fees and benefits. The CPIH for August 2020 was just 0.5% (compared with a rate of 1.7% in August 2019).

During the course of the coming year, SRS would continue to explore additional areas where charges may be levied for the provision of services. In the case of charges based on officer time, a rate of £65 an hour, to include overheads, would be used.

The Chairman queried whether any kennels had indicated an increase in the price for the boarding and kennelling of dogs. In reply, the Head of Service advised that no major change was expected.

Having considered the report, it was

RESOLVED – T H A T the SRS charging and fee proposals as set out in the report be agree for their implementation from 1st April 2021.

Reasons for decision

The report reviews fees and charges for 2021-22. Part One of the Annex to this report itemises those fees within the remit of the Joint Committee. In broad terms, this includes all fees apart from Alcohol, Gambling, and Taxi licensing, Additional Licensing Scheme charges for Houses in Multiple Occupation and consents issued under the Local Government Act 1982. In addition to the above charges which are set locally, others (as set out in Annex Part Two) are set through voluntary regional or national arrangements, or reflect the statutory regimes set by Welsh and UK Governments.