Shared Regulatory Services Joint Committee meeting – Wednesday, 24th June 2026 at 10am

Supplementary Information – Agenda Item 7 - Shared Regulatory Services Annual Report 2025-26 (INCLUDING AMENDED APPENDIX 3)

Revised financial budget inform for paragraphs 2.102 to 2.125

Financial Performance

The Gross Revenue Budget and outturn position for 2025/26 are shown in the tables below, with the position in respect of each of the partners detailed to include both Authority Specific (overspend £225k) and Core expenditure positions. The service achieved an unaudited £244k overspend against a gross revenue budget of £8.838m, as illustrated in the following table:

Table 1

	Gross	**Year-end**	**Outturn**
	Budget	**Outturn**	**Variance**
Authority	**£'000's**	**£'000's**	**£'000's**
Bridgend	1,803	1,802	1
Cardiff	5,218	5,454	(236)
Vale	1,817	1,826	(9)
Total Gross Expenditure	**8,838**	**9,082**	**(244)**

Over the last few quarters, the ability of the Service to recruit into key roles has improved and retention levels have been more encouraging than in recent years. Given the difficult recruitment landscapes for regulatory services across the country however, there is no room for complacency. The 'growing our own' approach is now firmly embedded with staff being developed both in their roles and in the gaining of professional qualifications, enabling them to progress within the Service as future vacancies arise.

For context the service continues to attempt to derive savings from core service activities to achieve a balanced position within this area of the service. The delivery of these savings will continue to be monitored in 2026/27.

For context, the overspend seen at year end arose in the landscape of the greater than budgeted pay award for 2025/26, and an increase in demand for regulatory services, in particular those delivered on an authority specific basis.

A full breakdown of the outturn position is shown in Annex 3

The approved gross budget of £2.704m in respect of Authority Specific (AS) Services has an unaudited overspend of £225k, as detailed in the following table:

Table 2

Authority	Gross Budget £'000's	Forecast Outturn £'000's	Outturn Variance £'000's
Bridgend	445	444	1
Cardiff	1,684	1,905	(221)
Vale	575	579	(4)
Total AS Services	**2,704**	**2,929**	**(225)**

Bridgend

The unaudited outturn position in Bridgend is a total underspend of £1k.The licensing function was close to reporting on budget with a overspend of £2k. Additionally Empty Homes is reporting an overspend of £11k and Kennelling and Vets has an underspend of £14k this is consistent with activity levels noted in previous years when accounting for the saving taken from this service area in the 2025/26 budget setting.

Cardiff

The £221k overspend at Cardiff predominantly relates to the £253k overspend within the Licensing Section which is consistent with performance in previous years.

The combined £8k overspend within HMO Cathays and HMO Plasnewydd teams relates to smaller variances within these teams.

The £15k underspend within Night-Time Noise relates to a decrease in demand due to a decrease in service usage.

The student liaison underspend of £28k is as a result of the additional SPF funding contributions separate from the standard budget contributions. These have not been fully utilised in the year due to staffing vacancies arising in this service area during the year.

Vale

Overall, the Vale has an aggregate £4k overspend.

The increased use of services for Licensing and burials has resulted in a £13k and £10k reported overspend in each of these areas respectively.

Pest control is reporting as on-budget position for this financial year.

Kennelling and Vets are forecasting a £19k underspend, this is higher than usual but consistent with the typical performance of being underspend in previous years.

Core Services

The approved Core Services Budget for 2025/26 is £6.134m, which as of 31st of March 2026 has an outturn overspend of £19k. The Core Service's budget is allocated in line with the information included in the Revenue support grant published by Welsh government, across the participating authorities. As illustrated in the following table:

Table 3

		Gross Budget	**Forecast Outturn**	**Outturn Variance**
Authority	**%**	**£'000's**	**£'000's**	**£'000's**
Bridgend	22.07%	1,358	1,358	(0)
Cardiff	57.67%	3,534	3,549	(15)
Vale	20.26%	1,242	1,246	(4)
Total Core		**6,134**	**6,153**	**(19)**

The £32k underspend within Animal Services is due to a staffing vacancy that arose in the year. This was one of the vacant posts subsequently deleted to achieve budget savings ahead of the 2026/27 financial year. As in the previous year some expenditure relating to supporting animal welfare seizures has been incurred, however levels are far lower than those incurred in the previous financial year

Environmental Services is reporting an overspend of £45k, which is made up of smaller variances forecasted within this heading.

The Food Services outturn position is an £57k underspend. This is vacancy related (including maternity leave) in the year, as well as some reduction in the use of contractors. Spending will increase moving forward, however in order to meet as much of the food inspection programme as possible. It is important to note that the Food Officer shortfall continues to be at 6.5FTE

Housing Services outturn position is an overspend of £38k. The overspend is attributable to additional salary expenditure which is the result of the impact of additional staffing needed to meet service area demands.

The Health & Safety and Communicable Disease budget heading comprises three cost centres spread across two SRS teams. A £9k underspend is reported at year end, made up of a series of smaller variances.

Pollution Services are currently reporting a £5k underspend for the year, this overspend relates to a number of smaller variances across this service area.

The 'Trading Standards' budget comprises a number of cost centres spread across three different SRS teams and also includes an element of the Food service (separate to that outlined in 2.16 above). This area is £40k overspent for 2025-26. Within Q3 a new staff member started within the Trading standard scheme as part of the SRS initiative for apprentices as part of our 'Grow Our Own' strategy, the provisional use of home office reserved grant funding has been used to cover this role for the remainder of 2025/26.

Reserves

	Opening Balance	24/25 Recovery	Transfer to Reserves	Transfer from Reserves	Forecast Balance
	01/04/25				31/03/26
Reserve	£'000's	£'000's	£'000's	£'000's	£'000's
SRS General Fund Reserve	356	243	0	(304)	295
Ringfenced Grant Reserve	88	0	31	(14)	105
Special Procedures Reserve	0	0	41	0	41
Health board Reserve	0	0	268	0	268
Capital Receipts	17	0	0	0	17
POCA Reserves	30	0	68	(49)	49
Total Usable Reserves	491	243	408	(367)	775

The Shared Regulatory Service has built up some reserves which can be utilised to fund planned investment in service expenditure but also emerging pressures within the service.

The SRS has taken steps in this year to continue to build up our reserves to have additional funding available for utilisation in further years. We continue to set aside the annual home office funding received in respect of the offensive weapons act and in this year as noted in point 2.121 we have begun to utilise this via the funding of apprenticeship position.

In this year a change of approach has been taken, and the SRS is also reserving additional income generation from both the new Special procedures licensing and an upturn in our efforts to support local health boards with their needs on a variety of different schemes.

Since its inception, SRS has consolidated service delivery in accord with the agreed standards. The over-riding challenges during 2026-27 will be around recruitment and retention, the need to address emerging global, national, regional, and local events, and all the while working within a reduced resource. Consequently, the Key Milestones for 2026-27 include:

- *Delivery of the SRS Business Plan 2026-27 and the associated corporate priorities assigned to the SRS by the partner Councils*

- *To support the partner Councils and other agencies as an integral part of the health protection system in Wales*

- *To monitor the implementation of new legislation and any requirements imposed by such legislation upon the Service. Examples include Tobacco and Vapes Bill; The Food (Promotion and Presentation) (Wales) Regulations 2025, and of course, the Welsh Government Building Safety agenda.*

- *To contribute to the climate change goals in each of the partner authorities through effective enforcement of environmental controls such as those regulating energy efficiency in the private rented housing sector.*

- *To further develop the 'growing our own' approach, embracing the new Regulatory Apprenticeship for Wales, and exploration of other new employee developmental frameworks as part of the wider recruitment and retention strategy.*

- *In light of the continued pressures on public sector budgets, further explore, implement and maximise opportunities for income generation and cost recovery.*

- *Review the agile working arrangements for the service to ensure that technology is being exploited fully to improve service delivery.*

REVISED APPENDIX 3 –

	Bridgend			Cardiff			Vale			Total		
	Budget	Outturn	Variance	Budget	Outturn	Variance	Budget	Outturn	Variance	Budget	Outturn	Variance
Authority Specific												
Bridgend Licensing	384	386	(2)							384	386	(2)
Bridgend Empty Homes	42	53	(11)							42	53	(11)
Vets & Kennelling Fees (Bridgend)	19	5	14							19	5	14
Cardiff Licensing				824	1,078	(254)				824	1,078	(254)
HMO Cathays				284	289	(5)				284	289	(5)
HMO Plasnewydd				283	286	(3)				283	286	(3)
Student Liason				61	33	28				61	33	28
Night Time Noise				66	51	15				66	51	15
Cardiff Port Health				166	168	(2)				166	168	(2)
Vale Licensing							435	448	(13)	435	448	(13)
Burials							1	11	(10)	1	11	(10)
Pest Control							118	118	(0)	118	118	(0)
Vets & Kennelling Fees (Vale)							21	2	19	21	2	19
Sub total	**445**	**444**	**1**	**1,684**	**1,905**	**(221)**	**575**	**579**	**(4)**	**2,704**	**2,929**	**(225)**
Core Services												
Animal Services	89	82	7	232	214	18	82	75	7	403	371	32
Environmental	54	63	(9)	139	166	(27)	49	58	(9)	242	287	(45)
Food Services	369	355	14	960	928	32	337	326	11	1,666	1,609	57
Housing Services	161	169	(8)	419	441	(22)	147	155	(8)	727	765	(38)
HS & CD	150	147	3	390	385	5	137	135	2	677	668	9
Pollution Services	210	208	2	547	544	3	192	191	1	949	944	5
Trading Stds	325	333	(8)	847	871	(24)	298	306	(8)	1,470	1,510	(40)
Sub total	**1,358**	**1,358**	**(0)**	**3,534**	**3,549**	**(15)**	**1,242**	**1,246**	**(4)**	**6,134**	**6,153**	**(19)**
Gross Expenditure Budget	**1,803**	**1,802**	**1**	**5,218**	**5,454**	**(236)**	**1,817**	**1,825**	**(9)**	**8,838**	**9,082**	**(244)**