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| Meeting of: | Shared Regulatory Services Joint Committee |
| Date of Meeting: | Wednesday, 13 December 2023 |
| Relevant Scrutiny Committee: | All Scrutiny Committees |
| Report Title: | Shared Regulatory Services Budget Savings |
| Purpose of Report: | To consider the Shared Regulatory Services Budget for 2024-25 |
| Report Owner: | Director of Environment and Housing Services |
| Responsible Officer: | Head of Shared Regulatory Services |
| Elected Member and Officer Consultation: | No Elected Members have been consulted. The following officers have been consulted; Assistant Director Street Scene, Cardiff Council, Chief Officer Legal, Regulatory and Human Resources, Bridgend County Borough Council |
| Policy Framework: | This is a matter delegated to the Joint Committee |
| Executive Summary: | <ul style="list-style-type: none"> The report outlines the background and context to the funding of Shared Regulatory Services (SRS) by the three partner authorities. |

Recommendation

1. Note the content of this report with a view to decisions being made on the 'Shared Regulatory Services Budget Savings' report which will be introduced under Part II of the meeting agenda.

Reason for Recommendation

1. By virtue of the SRS Joint Working Agreement, the Annual Budget for the Shared Service must be agreed by the partner authorities no later than 31st December prior to the start of the new financial year in April.

1. Background

1.1 As part of the Welsh Government's collaboration agenda, the three partner authorities explored the feasibility of creating a Shared Regulatory Service to serve the Bridgend, Cardiff and Vale of Glamorgan Council areas. There were three main drivers for this to be achieved, i.e.

- As a means of realising cost savings
- While at the same time building much needed resilience into the crucial services of Environmental Health, Trading Standards and Licensing, and
- Enabling specialisms to be retained

1.2 In 2013-14, prior to the creation of the Shared Service, the combined budget for the three stand-alone regulatory services was £10.32 million, and the full time equivalent staffing at that time stood at 259 (Atkins Limited final report, 2014).

1.3 In the first full financial year post launch in early 2015, the budget allocated to Shared Regulatory Services was £9.799 million, representing an immediate saving to the partner authorities in that and subsequent years.

1.4 Savings have continued to be made by the Shared Service since that 2013-14 baseline, including those achieved through a significant savings exercise over the course of 2017-18, 2018-19 and 2019-20 which saw a 5% year on year reduction in the SRS budget (i.e., a 13.5% budget reduction overall). A further 3% savings were found in 2022-23.

1.5 The 2024-25 Shared Regulatory Services Agreed Budget stands at £8.645 million, with a full time equivalent staffing in the region of 180. This means that 10 years on from the Atkins baseline assessment, despite inflation, annual pay awards and similar pressures, these essential, statutory services are being delivered for £1.7 million (16%) less budget and by 82 (32%) less staff.

1.6 It is also important to note that over this time, the Service has taken on additional responsibilities under new legislation and areas of regulation.

1.7 As a result of the very challenging financial outlook going into 2024-25, the partner authorities now require a consideration of options for further savings to be made by the Service, and options have been requested for achieving savings of 3% and 5% from the core services budget which is the responsibility of the Joint Committee

2. Key Issues for Consideration

2.1 These are set out in the linked report to be introduced in Part II of the Joint Committee meeting.

2.2 The Part II report will be circulated to Members in advance of the meeting.

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

3.1 The Well-being of Future Generations Act requires the SRS to underpin decision making by contributing to the seven well-being goals of the Act, following the five ways of working, and consequently undertaking actions that will have a positive impact on people living in the future as well as those living today. Consequently, SRS seeks to work in the following ways:

- Looking to the long term
- Taking an integrated approach;
- Involving a diversity of the population in the decisions affecting them;
- Working with others in a collaborative way to find shared sustainable solutions
- Acting to prevent problems from occurring or getting worse.

3.2 The fundamental purpose of the SRS (here defined as trading standards, environmental health and licensing) is to protect residents, consumers, businesses and communities. The broad range of responsibilities can make it difficult to demonstrate succinctly their impact and value in terms of the wellbeing; the SRS Business Plans provide members with detail and articulate how those statutory responsibilities, and subsequent activities, contribute toward wellbeing across the region. This update report reflects some of the activities undertaken in recent months to promote the sustainable development principle.

4. Climate Change and Nature Implications

- 4.1 One of the key strategic themes for the Shared Regulatory Service is *Protecting the Local Environment*.
- 4.2 The SRS Business Plan articulates the work carried out under this theme to deliver on the corporate priorities for the participant Councils, including their ambitions to minimise climate change and impacts on the natural environment.
- 4.3 In this context, the Joint Committee is regularly updated on the contribution of the Shared Service to this agenda, for example through its work in the areas of animal health and welfare, air quality, contaminated land, energy efficiency in the private rented sector and investigating greenwashing claims or environmental fraud.

5. Resources and Legal Considerations

Financial

- 5.1 The Participants' contribution towards the Shared Regulatory Service is recharged on a quarterly basis, based upon the approved budget. Accounting for the full year is reported to the Committee at the Annual General Meeting.
- 5.2 The financial implications of setting the 2024-25 budget are set out in the report to be introduced in Part II of the Joint Committee meeting.

Employment

- 5.3 There are no immediate employment implications associated with this report.

Legal (Including Equalities)

- 5.4 There are no immediate legal implications associated with this report.

6. Background Papers

None