

SHARED REGULATORY SERVICES ANNUAL REPORT 2017-18

**CLEAN STREETS, RECYCLING AND ENVIRONMENT
(COUNCILLOR MICHAEL MICHAEL)**

AGENDA ITEM: 4

Reason for this Report

1. To enable the Cabinet to receive and note the Shared Regulatory Services Annual Report for 2017-18.

Background

2. In April 2015, Cardiff Council, Bridgend County Borough Council and the Vale of Glamorgan County Borough Council signed a Joint Working Agreement (JWA) for the provision of regulatory services across the three Council areas. The document created the Shared Regulatory Service (SRS) and the SRS Joint Committee.
3. The Cabinet Member for Clean Streets, Recycling & Environment and the Chair of Licensing Committee are the two Cardiff Council representatives on the SRS Joint Committee following appointment by the Council on 24 May 2018.
4. In accordance with Clause 5.1 of the JWA, the SRS is required to produce an annual report that covers the operational and financial performance of the service for the preceding year. The SRS Annual Report covers the period from 1 April 2017 to 31 March 2018 and was approved by the SRS Joint Committee on 19 June 2018.

Issues

5. The SRS will have completed four years' service provision in May 2019. The current review provisions are achieved through the production of this Annual Report. It may now be appropriate to undertake a longer term review of the impact of the shared service in terms of cost, performance and contributions to the Council aims and objectives. This may be undertaken through a report to Cabinet or through a joint Scrutiny exercise.
6. In July 2017, the Council ratified the insertion of a new Clause 5.6 into the JWA to enable each partner authority's Cabinet to receive the SRS Annual Report, for information purposes. This report appraises Cabinet of

the decisions taken and functions carried out by the SRS Joint Committee over the proceeding financial year, as well as the performance and financial position of the SRS.

7. A copy of the report considered by the SRS Joint Committee on 19 June 2018, which includes the SRS Annual Report 2017-18, is attached as Appendix A to this report.
8. The SRS Annual Report 2017/18 was approved by the SRS Joint Committee and is for information only.
9. The SRS Annual Report 2017-18 reflects upon the third year of operation of the SRS. It outlines the performance of the SRS in 2017-18; the progress made in achieving the objectives set out in the SRS Business Plan, and the summary revenue account and statement of capital spending.
10. The management of key operational performance is through the Client lead for Shared Regulatory Services in City Operations. The Client lead works closely with Finance, Legal and other Service Areas to ensure that the delivery of services is to the required level and where required improvements are implemented.

Operational Performance and Implications

11. The key aspects of operational performance across the region from the annual report are as follows:
 - Sickness absence levels for 2016/17 were 6.89 days per FTE person. This is below the Council's average.
 - The Wales Audit Office completed an independent financial audit of the service in September 2017 there were no recommendations for improvement.
 - Agile working, which underpins the new operating model, has been developing with laptops and other mobile devices. The baseline activity data being developed by the SRS suggests that this mode of working is increasing productivity. Officers are beginning to view work as a "thing" rather than a place and take advantage of flexible working schedules; this in turn means that the SRS is able to operate over longer hours and weekends without the need to begin and end the day in a fixed office location.
 - The joining together of three local authorities operating different working practices, policies, procedures and using different systems and forms requires standardisation across the Service in order to provide consistency and efficiency across the organisation. Standardisation provides an opportunity to apply best practice and reduce costs. In 2017/18, the SRS has continued to harmonise a range of processes and policies and

managed to secure efficiency savings as part of that exercise. Examples include the adoption of common licensing policies for animal welfare, fireworks and aspects of taxi controls.

- The SRS has been active in the Courts and Appendix 2 of the Annual report set out the successful interventions undertaken in the 2017/18 period.

The key operational implications for Cardiff Council are as follows:

- Public Accountability Measures –
 - PAM 13, Percentage of empty private sector properties brought back into use during the year through direct action by the local authority and PAM 14, Number of additional dwellings created as a result of bringing empty properties back into use.

These indicators were introduced last year, but the core subject matter of reducing the number of empty properties remains the same. This indicator is not explicitly mentioned in the Annual Report, as Shared Regulatory Services did not perform this function in the Vale of Glamorgan or Bridgend for the 2017/18 period.

This has been a source of some concern regarding the low KPI performance on this indicator. In 2017/18, the performance level achieved was for PAM 13 was 18 properties brought back into reuse against a target of 40. For 2018/19, the target has been retained at 40 properties. As at Quarter 1 for the 18/19 period, 11 properties have already been returned to use.

The performance against PAM 14 was 19 additional dwellings created against a target of 30. For 2018/19, the target has been retained at 30 additional dwellings. As at Quarter 1 for the 18/19 period, nine additional dwellings have been created.

- PAM 23 - the percentage of food premises that are broadly compliant. This measure provides an indication of how well a food business complies with food hygiene legislation. The food industry is responsible for producing and distributing safe food. The Shared Regulatory Service, as the enforcement agency, conducts inspections, ensuring that standards are met through a robust enforcement programme to deal with those who do not comply with standards. Additionally, the business support regimes introduced into the SRS structure play a part in promoting an increase in hygiene standards. Premises are deemed broadly compliant if specified risk scores are achieved for cleanliness, structural issues, and confidence in the

management of the business. The target for 2017/18 was 93% of businesses to be broadly compliant; the performance recorded was 92.71%. It is important to note that Cardiff has a significant turnover of food business operators, many of these new entrants to the market do not attract immediately a broadly compliant rating, and that affects the overall broadly compliant score for Cardiff. Areas with a more settled food business community often score well on this indicator because the food business operators have had time to become accustomed to the requirements of the food hygiene legislation.

- The SRS gross budget for Cardiff delivered a £106k underspend. Core Services underspent, but the Authority Specific Services for Cardiff Council, mainly Licensing activities, overspent by £134,000. The outturn position in respect of Authority Specific services is due to expenditure in excess of budget and a reducing income stream. On a positive note, service efficiency drives have seen a reduction in expenditure on authority specific services in comparison to the previous year.
- The performance indicator relating to 'new' Food Hygiene businesses identified and visited in Cardiff remains challenging due to turnover of businesses and the increase in food outlets as the city continues to grow. Performance on this indicator for 2017/18 was 99.11% (2016/17 - 84.86%)
- Through new ways of working the food team has achieved an increase in the inspections and a closing the "gap" of unrated food premises. The number of inspections to high-risk food businesses (categories A, B, C) businesses exceeded the target with 100% of the businesses visited – this represents over 1000 inspections.
- The food service has also received some striking media coverage in relation to prosecutions for breaches of food law receiving noteworthy press attention, plus media articles on the exposure of unprincipled trading practices within this sector, and has undertaken significant innovative work in respect of food allergens.
- In June 2017, the SRS was involved in regulating the largest ever event to be held in Cardiff, the UEFA Champions League final. The four days of activity saw officers ensure that branded goods were sold lawfully, premises selling alcohol were doing so within their license conditions and any ambush marketing was removed. The service received an award from the Anti-Counterfeiting group in recognition of the efforts of the SRS in the preparation for and the surveillance operated during the four days covering the two finals.
- During all the major events in the City, the SRS has operated an intensive campaign to ensure taxi drivers operate fairly and honestly. SRS officers have reported a small minority of incidents

asserting inappropriate behaviour by drivers resulting in almost 100 drivers appearing before the Public Protection Committee and some 20 drivers have been charged with “flimping” (accepting fares when not authorised to do so).

- The annual Local Air Quality Management Progress Report for was submitted to the Welsh Government by the 31st December deadline. In Cardiff, the SRS also took the officer lead in transferring the political reporting line and accountability from the Public Protection Committee to the Cabinet. Air Quality has become a high profile issue, featuring in the headlines on an almost daily basis. SRS continues to review monitoring locations in the City, but the most significant challenge for the SRS is to assist with the development of Cardiff Council's Air Quality Strategy. This follows the issue of a direction by Welsh Government to identify the option that will deliver compliance with legal limits for nitrogen dioxide in the city in the shortest possible time.
- The SRS continues to engage with landlords and agents to improve conditions in the private sector we also will not hesitate to use our enforcement powers where requested. This year saw an unprecedented number of 328 improvement notices and 61 prohibition notices served upon premises in the City in an attempt to improve standards in the private rented sector particularly those landlords who are more reluctant to engage.

Reason for Recommendations

12. To comply with Clause 5.6 of the revised SRS Joint Working Agreement; this enables the Cabinet to receive the SRS Annual Report 2017-18 for information purposes.

Financial Implications

13. The SRS Annual Report is a common report to all 3 authorities and the financial implications are embedded within the annual report.

Legal Implications

14. The SRS Annual Report is a common report to all 3 authorities and the legal implications are within the annual report.

HR Implications

15. There are no direct HR implications arising from this report.

RECOMMENDATION

Cabinet is recommended to note the Shared Regulatory Services Annual Report 2017-18.

SENIOR RESPONSIBLE OFFICER	ANDREW GREGORY Director Planning, Transport & Environment 26 October 2018
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The following appendix is attached:

Appendix A: Shared Regulatory Services Joint Committee Report, 19 June 2018 – Shared Regulatory Services Annual Report 2017-18.

The following background papers have been taken into account

- Council Report, 20 July 2017: Shared Regulatory Services – Review of Joint Working Agreement
- Cabinet Report, 6 July 2017: Shared Regulatory Services – Review of Joint Working Agreement
- Joint Working Agreement approved by County Council of the City and County of Cardiff - 20th July 2017
- Shared Regulatory Services Business Plan 2018-19