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## HELA

### The future of regulatory services in Wales

**A Paper by Kim Pugh**

**Cleared by: Kim Pugh**

#### Issue

1. This paper seeks to inform HELA of the current discussions in Wales regarding the future delivery of regulatory services.

#### Timing

2. For discussion at the meeting on 28 June 2012.

#### Recommendation

3. That HELA considers the implications for Health & Safety enforcement.

#### Background

4. Wales is divided into 22 Unitary authorities which range in size from 56,000 to 340,000
5. The Consumer Policy Landscape and FSA Wales consultations raised concerns regarding small trading standards services creating enforcement gaps and being unable to fulfil statutory obligations and as a result the Welsh Labour Party made a commitment in its Manifesto [2011] to create a “national Trading Standards Service”. Following the Wales Assembly elections in the Welsh Labour party has overall control of the Welsh Assembly.
6. The Simpson Review<sup>1</sup> “Local, Regional, National: What Services are delivered where?” [March 2011] was commissioned by Welsh government and made recommendations regarding working across boundaries and in collaboration with other authorities to deliver more effective public services.

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<sup>1</sup> [www.wales.gov.uk/english/simpson-report-local-regional-national/](http://www.wales.gov.uk/english/simpson-report-local-regional-national/)

7. Regulatory services are considered in the report (the partnership work with HSE to develop an All Wales plan is mentioned as an example of existing collaboration); one of the recommendations states that *“where regulatory risks are regional or national the regulatory service collaborate to deliver on a regional or national basis. This is the case in matters such as illegal money lending, trading standards, food standards and food hygiene, air quality and land contamination.”*
8. It also called for a Compact detailing the development of collaborative and national service delivery to be agreed by the Assembly Government and the WLGA to set a realistic but challenging timetable for dealing with the recommendations. The Compact was signed in June 2011.
9. Implementation contracts have been drawn up to deliver the Compact. These referred to all Environmental Health services for the first time

Commitment	Milestones	Responsibility
Welsh Government to confirm the policy intent for the future shape of <b>Trading Standards</b> services.	March 2012	Minister for Local Government and Communities
	September 2012	Local Government
Local Government with the support of the Welsh Government to review the scope for collaboration in <b>environmental health services.</b>	December 2012	Local Government First Minister Minister for Local Government and Communities

10. Regulatory services budgets in Wales have been cut by 5.9% compared to overall council cuts of 1.2%.

## Argument

11. Simpson has introduced 10 Principles for Change of which the first two are that:-

- The outcome must be better for the citizen and user
- Focus on function and not whole services

Therefore Health & Safety could be considered in isolation.

12. There is added complexity when looking at the devolved and non devolved aspects of the work. Health and Safety teams generally enforce the provisions introduced by Wales Government which look to protect Public Health such as the additional sunbed legislation and proposed rating scheme for tattooists in addition to Health and safety enforcement.

13. The decision on how any collaborative service is managed is significant and has implications for the governance of any such service and specifically for the democratic oversight of services provided.
14. This is an opportunity for local government to define how it wants to deliver future services in the context of a collaborative agenda, looking to identify opportunities for greater collaboration at either a local, regional or national level.
15. Since local government reorganisation of 1996 the services which sit under public protection have become heavily reliant upon one another. At times however, they could be disparate from each other. To add confusion there is no uniformity across the 22 local authorities.
16. Scoping work has begun focussing on options that provide better service resilience rather than budget savings. Indeed the Directors of Public Protection Wales (DPPW) response to the Simpson review in February 2011 stated “the cost of public protection is typically less than 1% of local authority budgets and cannot offer the scope for delivering huge savings. Whilst efficiencies are achievable, many of the benefits will be seen in terms of improved outcomes and greater resilience”. The cost of Health & Safety services is only a fraction of this amount.
17. Trading Standards have already completed an initial report which considered 7 basic models for collaboration: status quo; ad hoc partnerships, 10-11 partnerships between councils; 6 area model based on Welsh Government footprint for public services which is based on the Local Health board areas; 4 area model based on police areas, single Wales model and shared management. It is recommended that any second phase focuses on the 6 service area model, the single Wales model and the implications of the status quo as the most likely models for progression.
18. The advantages and disadvantages of each model operate on a continuum. The advantages of being able to specialise and gain economies of scale via larger teams increase with the larger model used, and the advantages of close connections with local communities and links with other local government services increase the more locally the services are provided.
19. Based on the available information to date, the ‘6 area’ model is the most likely option for a collaborative service that: matches other public service areas; balances the challenge of local engagement with bigger more resilient teams; an increased ability to specialise within teams; and can have a manageable governance structure. In this model, populations range from 290000 to 678000.
20. A complete single Wales model that would serve a population of 2.87 million could provide: significant opportunities for cost savings and resilience; an increased ability to specialise within teams; and consistency of service provision across Wales. However there are likely to be significant set-up costs and potential challenges in terms of engagement with local communities. Also setting up an appropriate governance structure that could meaningfully engage all 22 councils could be very difficult.

21. The scoping process for Environmental Health services has just begun. The model that would deliver the most effective Health & Safety service has not yet been considered but this could provide greater opportunities to align local authority enforcement with HSE and provide a more consistent approach across Wales.

### **Action**

22. HELA are asked to note the contents of the report and consider the implications for enforcement of Health & Safety.

### **Contact**

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