



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Environmental Health follow-up review – **Torfaen County Borough Council**

Audit year: 2018-19

Date issued: November 2019

Document reference: 1586A2019-20



This document has been prepared for the internal use of Torfaen County Borough Council as part of work performed in accordance with Section 18 of the Local Government (Wales) Measure 2009 and section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act). It may also inform our examinations work under section 15 of the Wellbeing of Future Generations Act (Wales) 2015.

No responsibility is taken by the Auditor General or the staff of the Wales Audit Office in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at

info.officer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.
Delete if not applicable.

The team who delivered the work comprised Ginette Beal and Lidia Vorontsova of Grant Thornton LLP under the direction of Non Jenkins and Sara-Jane Byrne.

Contents

The Council has made progress in addressing the recommendations 2 to 4, but should continue to address recommendation 5 which relates to improvements in strategic planning for the service.

Collaborative working with Blaenau Gwent County Borough Council to date has contributed to the Council's ability to deliver with less. Following the withdrawal from the arrangements in November 2019 the Council will face additional financial pressures that may affect its ability to continue providing environmental health services to the same standard.

Summary report 4

Detailed report

The Council has made progress in addressing the recommendations 2 to 4, but should continue to address recommendation 5 which relates to improvements in strategic planning for the service. Collaborative working with Blaenau Gwent County Borough Council to date has contributed to the Council's ability to deliver with less. Following the withdrawal from the arrangements in November 2019 the Council will face additional financial pressures that may affect its ability to continue providing environmental health services to the same standard. 11

Environmental health services are not routinely scrutinised, but members have considered specific items as required. Members are supported through member seminars, although an evaluation of effectiveness has not been undertaken. 11

The Council has published proposals for budget reductions in environmental health services as part of its annual revenue budget and Medium Term Financial Plan process and recognises that the consultation process with local residents could be improved 12

The Council has set out its environmental health priorities within the Public Protection Team Plan. It has self-assessed against the Best Practice Standards, but has not clearly set out the distinction between statutory and non-statutory duties. 12

The Council has improved efficiency and performance by outsourcing some environmental health services and by collaborating with Blaenau Gwent County Borough Council. Following termination of joint working arrangements with Blaenau Gwent the Council will face additional financial pressures and should consider how services may need to change as a result. 13

The Council should continue to address recommendation 5 by improving the use of demand/need data, analysis of cost, benefit and impact to inform decisions and how digital information and technology could develop the environmental health service. 14

Summary report

Summary

What we reviewed and why

- 1 As part of his 'delivering with less' series of Local Government Improvement Studies, the Auditor General published his report – Delivering with less – the impact on environmental health services and citizens, in October 2014.
- 2 In this report, the Auditor General also drew attention to recent and forthcoming legislation, and the concerns of Councils that they would be unable to deliver the commitments contained within it. Many of the legislative proposals referred to in the Auditor General's 2014 report have subsequently been implemented including: The Housing Act (Wales) 2014, the Renting Homes (Wales) Act 2016. The Public Health (Wales) Act was also passed in 2017.
- 3 The Auditor General also published local reports for each Council as part of the 2014 study.
- 4 In a letter to local authority Chief Executives on 11 January 2018, the Auditor General set out his intention to undertake some thematic work more closely aligned to his programme of Local Government Studies. The purpose of aligning thematic work more closely to Local Government Studies programme is to make the most effective use of audit resources in discharging the Auditor General's duties whilst ensuring that issues, themes and learning identified in Local Government Study reports are 'followed-up' and explored with councils locally in subsequent years.
- 5 This review assessed whether there have been any budget and staff changes within the Council's Environmental health services and the extent to which it has addressed the recommendations included in our 2014 national report. For the purposes of this review, we focussed on the Council's progress in addressing recommendations 2, 3, 4, and 5 of the national report.
- 6 The report contained six recommendations that are set out in [Exhibit 1](#) below:

[Exhibit 1: recommendations made in 2014 national report, Delivering with less – the impact on environmental health services and citizens](#)

Recommendation	Responsible Partners
<p>R1 Revise the best practice standards to:</p> <ul style="list-style-type: none">• align the work of environmental health with national strategic priorities;• identify the wider contribution of environmental health in delivering strategic priorities of the Welsh Government; and	<p>Councils, Chartered Institute of Environmental Health Cymru</p>

Recommendation	Responsible Partners
<ul style="list-style-type: none"> identify the benefit and impact of environmental health services on protecting citizens. 	
<p>R2 Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.</p>	<p>Councils, Welsh Local Government Association</p>
<p>R3 Improve engagement with local residents over planned budget cuts and changes in services by:</p> <ul style="list-style-type: none"> consulting with residents on planned changes in services; using the findings to shape decisions; outlining which services are to be cut and how these cuts will impact on residents; and setting out plans for increasing charges or changing standards of service. 	<p>Councils, Welsh Local Government Association</p>
<p>R4 Improve efficiency and value for money by:</p> <ul style="list-style-type: none"> identifying the statutory and non-statutory duties of council environmental health services; agreeing environmental health priorities for the future and the role of councils in delivering these; determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens; Improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> collaborating and/or integrating with others to reduce cost and/or improve quality; 	<p>Councils, Welsh Local Government Association, Welsh Government</p>

Recommendation	Responsible Partners
<ul style="list-style-type: none"> – outsourcing where services can be delivered more cost effectively to agreed standards; – introducing and/or increasing charges and focusing on income-generation activity; – using grants strategically to maximise impact and return; and – reducing activities to focus on core statutory and strategic priorities. 	
<p>R5 Improve strategic planning by:</p> <ul style="list-style-type: none"> • identifying, collecting and analysing financial, performance and demand/need data on environmental health services; • analysing collected data to inform and understand the relationship between ‘cost: benefit: impact’ and use this intelligence to underpin decisions on the future of council environmental health services; and • agree how digital information can be used to plan and develop environmental health services in the future. 	Councils
<p>R6 Clearly set out the expectations of council environmental health services under new housing and health legislation and agree how these new duties will be delivered.</p>	Welsh Government, Welsh Local Government Association

7 We undertook this review during the period August to October 2019.

What we found

- 8 Our review sought to answer the question: **Has the Council acted upon the recommendations in the Auditor General’s Environmental health – Delivering with Less report published in October 2014?**
- 9 Overall we found that: **The Council has made progress in addressing the recommendations 2 to 4, but should continue to address recommendation 5 which relates to improvements in strategic planning for the service. Collaborative working with Blaenau Gwent County Borough Council to date has contributed to the Council’s ability to deliver with less. Following the withdrawal from the arrangements in November 2019 the Council will face additional financial pressures that may affect its ability to continue providing environmental health services to the same standard.** We reached this conclusion because:
- Environmental health services are not routinely scrutinised, but members have considered specific items as required. Members are supported through member seminars, although an evaluation of effectiveness has not been undertaken.
 - The Council has published proposals for budget reductions in environmental health services as part of its annual revenue budget and MTFP process and recognises that the consultation process with local residents could be improved.
 - The Council has set out its environmental health priorities within the Public Protection Team Plan. It has self-assessed against the Best Practice Standards, but has not clearly set out the distinction between statutory and non-statutory duties.
 - The Council has improved efficiency and performance by outsourcing some environmental health services and by collaborating with Blaenau Gwent CBC. Following termination of joint working arrangements with Blaenau Gwent the Council will face additional financial pressures and should consider how services may need to change as a result.
 - The Council should continue to address recommendation 5 by improving the use of demand/need data, analysis of cost, benefit and impact to inform decisions and how digital information and technology could develop the environmental health service.

Background

- To date, budgets for environmental health services have reduced from £1.125m in 2013-14 to £0.896m in 2019-20, which represents a reduction of approximately 20%. The environmental health service net revenue outturn has followed a downward trend, reducing from £1.065m in 2011-12 to £0.829m in 2018-19, a reduction of 22% (**Exhibit 1**).

- Staff numbers have reduced from 25 Full Time Equivalent (FTE) in 2014 to 18.8 FTE in 2019. There has been a reduction in all grades except for qualified environmental health officers, which has remained the same at eight FTEs ([Exhibit 2](#)).
- In 2015, Blaenau Gwent County Borough Council and Torfaen County Borough Council established a joint Trading Standards and Licensing service, which was extended to include Environmental Health in 2016.
- Both Councils realised financial savings through introduction of a shared management structure in June 2016, reduction of posts and cross-Council working. This is supported by a 35% (0.7) reduction in Manager grade FTE, as well as 66% (2.0) reduction in Administrator grade FTE since 2014.
- Originally, both Councils were looking to develop the working relationship into a fully shared service. On the 9 July 2019, Cabinet agreed to withdraw from the collaboration with Blaenau Gwent CBC on 30 November 2019.
- The Council estimates that the financial impact of this decision will cost the Council £60,000 per annum. This additional cost has been incorporated into the public protection services core budget for 2019-20.

Exhibit 2: the net cost of environmental health services: revenue budget compared to outturn, 2012-13 to 2019-20

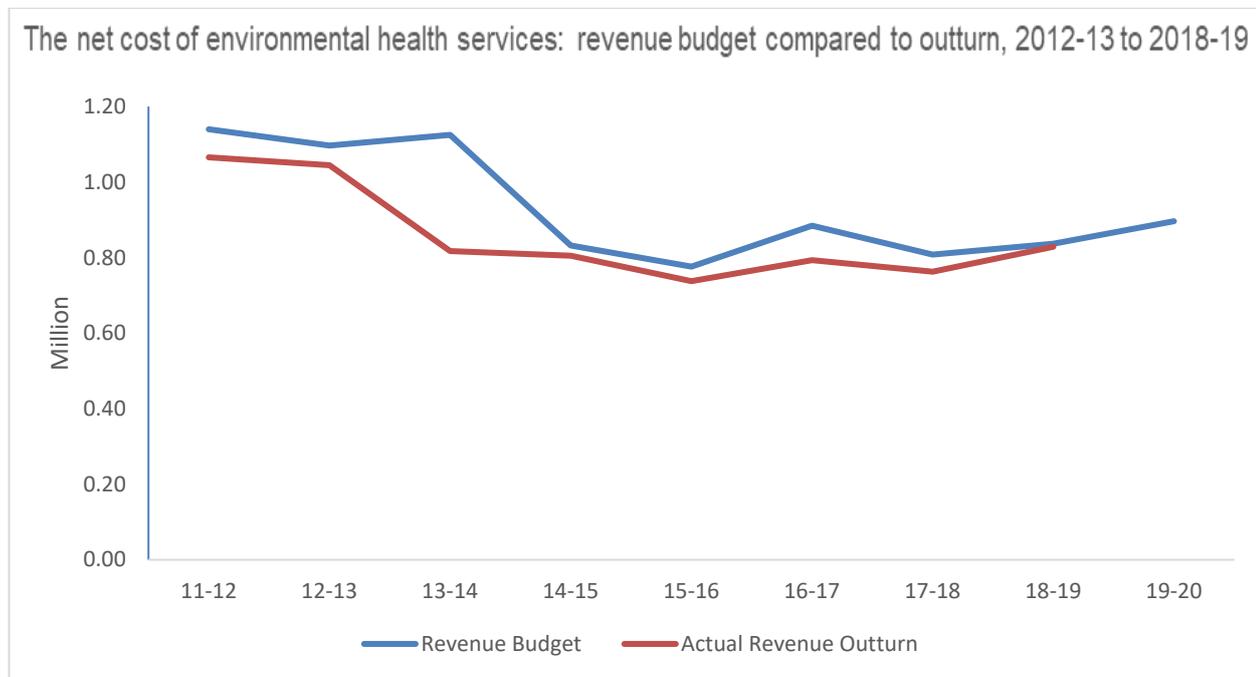
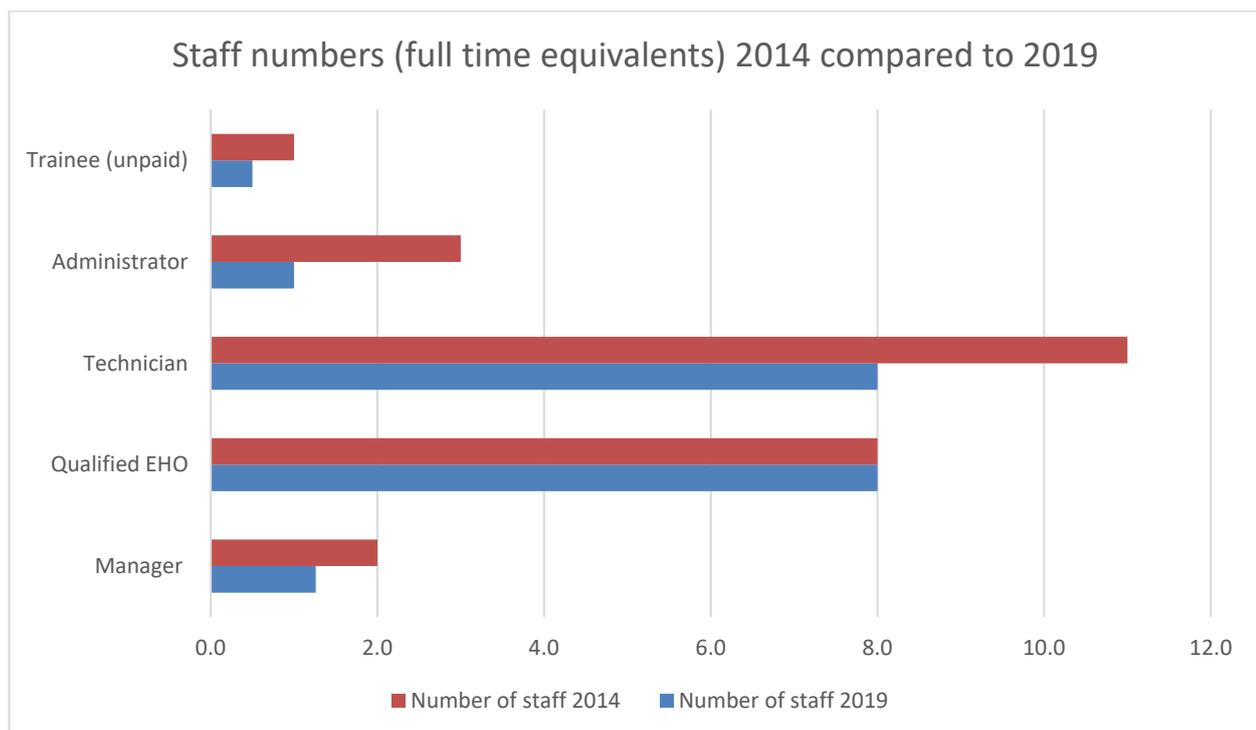


Exhibit 3: staff numbers (full time equivalents) 2014 compared to 2019



Proposals for improvement

Exhibit 4: proposals for Improvement

The table below sets out the proposals for improvement that we have identified following this review.

Proposals for improvement	
P1	The Council should consider how it could improve consultation with local residents on proposed changes to the environmental health service.
P2	When considering how environmental health services may need to change in the future, the Council should ensure decision-makers understand and document the distinction between statutory and non-statutory services. This will help them prioritise their responsibilities and powers appropriately.
P3	The Council should ensure that it has fully assessed how withdrawing from the collaborative working arrangements with Blaenau Gwent County Borough Council may affect the financial and operational sustainability of the environmental health service. It also needs to consider how it will respond to the ongoing need to contribute to the Council's budget challenge and the introduction of new legislation.
P4	The Council should continue to address recommendation 5 by: improving the use of demand/need data; analysing the cost, benefit and impact to inform decisions; and reviewing how digital information and technology could develop the environmental health service.

Detailed report

The Council has made progress in addressing the recommendations 2 to 4, but should continue to address recommendation 5 which relates to improvements in strategic planning for the service. Collaborative working with Blaenau Gwent County Borough Council to date has contributed to the Council's ability to deliver with less. Following the withdrawal from the arrangements in November 2019 the Council will face additional financial pressures that may affect its ability to continue providing environmental health services to the same standard

Environmental health services are not routinely scrutinised, but members have considered specific items as required. Members are supported through member seminars, although an evaluation of effectiveness has not been undertaken.

10 In reaching this conclusion we found that:

- Scrutiny of environmental health matters is the responsibility of the Prosperous Communities Overview and Scrutiny Committee. Prior to this committee being established in May 2019 it was the responsibility of the Safer Communities Overview and Scrutiny Committee.
- In the last 12 months only Civil Parking and Environmental Enforcement has been considered by scrutiny.
- In June 2018 the Safer Communities Overview and Scrutiny Committee considered the Wales Audit Office's original report Delivering with Less – The Impact on Environmental Health Services and concluded that as services had changed considerably the recommendations were closed.
- The Council does not have a structured member training programme for environmental health matters, although some training is provided on an ad-hoc basis.

The Council has published its proposal for budget reductions for environmental health services as part of its annual revenue budget and Medium Term Financial Plan process and recognises that the consultation process with local residents could be improved

11 In reaching this conclusion we found that:

- Savings proposed for environmental health are considered annually as part of the revenue budget and Medium Term Financial Plan (MTFP) process. From 2018-19 this process explicitly considered the likely impact on local residents.
- Detailed public consultation for service changes has not been undertaken, although the proposals and decisions have been published on the Council's website. The proposal to stop the domestic pest control service was published as part of the budget process. The decision was reviewed by scrutiny, but was not subject to public consultation.
- The Council conducted public consultation in 2018 on the introduction of increased measures for dog control under the Public Spaces Protection Order. The consultation exercise indicated public support for increased enforcement.

The Council has set out its environmental health priorities within the Public Protection Team Plan. It has self-assessed against the Best Practice Standards, but has not clearly set out the distinction between statutory and non-statutory duties.

12 In reaching this conclusion we found that:

- The environmental health service objectives clearly link to the Council's corporate objective 'Clean and Green'. Priorities for the service are set out within the Public Protection Team Plan. Acceptable standards have been set within this plan.
- The Council has not formally assessed the provision of environmental health services in relation to their statutory obligations. In 2017 the Council did cease provision of some of its discretionary pest control service.
- The environmental health service has self-assessed against the Best Practice Standards and has met the 'required' standards across most environmental health services, with many achieving one or more aspects of the 'better' standard.

The Council has improved efficiency and performance by outsourcing some environmental health services and by collaborating with Blaenau Gwent County Borough Council. Following termination of joint working arrangements with Blaenau Gwent the Council will face additional financial pressures and should consider how services may need to change as a result.

13 In reaching this conclusion we found that:

- The Council has agreed and served notice to exit its joint working arrangements with Blaenau Gwent CBC in November 2019. This may lead to further financial pressures.
- Collaborative working has, to date, allowed the Councils to improve efficiency and performance.
- Performance against PAM/013 (Empty private properties brought back into use) has improved and is above the Welsh standard, whereas PAM/023 (Food establishments which are 'broadly compliant' with food hygiene standard) remains below Welsh average.
- The Council had outsourced its Environmental Enforcement service to Kingdom, but has recently brought this service in-house to provide a joint civil parking and environmental health enforcement service.
- The Council stopped its domestic pest control service in 2016-17.
- The Council reviews its Public Protection fees and charges annually.
- The Council is exploring generating additional income by acting as a Primary Authority for local businesses.
- The Council has obtained grant funding and has received grants to support food hygiene standards rating and preparation for leaving the EU in relation to feed and food law enforcement.

The Council should continue to address recommendation 5 by improving the use of demand/need data, analysis of cost, benefit and impact to inform decisions and how digital information and technology could develop the environmental health service.

14 In reaching this conclusion we found that:

- Strategic planning is undertaken annually as part of the Council's annual service planning process. The Council would like this to develop into a more dynamic and ongoing process.
- The objectives for environment health and licensing are set out within the Public Protection Team Plan and the Licensing Team Plan.
- The environmental health service reviews its performance against its objectives on a quarterly basis.
- We note, however, that the decision to enter or exit the joint service arrangement was not subject to an options appraisal or a cost/benefit analysis. There was no Joint Working Agreement or other formal governance arrangement in place between the two Councils.
- The Council is not using digital technology to plan and develop its services.
- Residents are able to report fly-tipping through a mobile app.
- The environmental health service uses Civica APP to manage and analyse data and is in the process of developing a performance template to demonstrate service demand and outcomes utilising reports from Civica APP.
- The services do consider measures of demand on an annual basis within service plans, but beyond the examples above, do not make significant use of data and digital technology to target services.

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru