



**Gwasanaeth Democratiaeth
Democracy Service**
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Cyfarfod / Meeting

**PWYLLGOR CRAFFU CORFFORAETHOL
CORPORATE SCRUTINY COMMITTEE**

Dyddiad ac Amser / Date and Time

**10.30AM, DYDD IAU, 26 MAWRTH, 2015
10.30AM, THURSDAY, 26 MARCH, 2015**

Lleoliad / Location

**SIAMBR HYWEL DDA,
SWYDDFA'R CYNGOR / COUNCIL OFFICES,
STRYD Y JÊL / SHIREHALL STREET,
CAERNARFON**

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(DOSBARTHWYD / DISTRIBUTED 19/03/15)

PWYLLGOR CRAFFU CORFFORAETHOL CORPORATE SCRUTINY COMMITTEE

AELODAETH/MEMBERSHIP (18)

Plaid Cymru (9)

Y Cynghorwyr / Councillors

Elwyn Edwards

Aled Evans

Sian Gwenllian

Annwen Hughes

Dyfrig Jones

Michael Sol Owen

Gethin Glyn Williams

John Wyn Williams

R.H.Wyn Williams

Annibynnol / Independent (4)

Y Cynghorwyr / Councillors

Lesley Day

Trevor Edwards

W.Roy Owen

Eirwyn Williams

Llais Gwynedd (3)

Y Cynghorwyr / Councillors

Gweno Glyn

Simon Glyn

Jason Humphreys

Llafur / Labour (1)

Y Cynghorydd / Councillor

Gwynfor Edwards

Rhyddfrydwyr Democrataidd / Liberal Democrats (1)

Y Cynghorydd / Councillor

June Marshall

Aelodau Ex-officio / Ex-officio Members

Cadeirydd ac Is-Gadeirydd y Cyngor / Chairman and Vice-Chairman of the Council

Aelodau eraill a wahoddir / Other invited members

Y Cynghorydd / Councillor Dyfed Edwards – eitem / item 6

RHAGLEN

1. YMDDIHEURIADAU

Derbyn unrhyw ymddiheuriadau am absenoldeb.

2. DATGAN BUDDIANT PERSONOL

Derbyn unrhyw ddatganiad o fuddiant personol.

3. MATERION BRYD

Nodi unrhyw eitemau sy'n fater bryd ym marn y Cadeirydd fel y gellir eu hystyried.

4. COFNODION

Bydd y Cadeirydd yn cynnig y dylid llofnodi cofnodion y cyfarfod diwethaf o'r pwyllgor hwn a gynhaliwyd ar 15 Ionawr, 2015 fel rhai cywir (ynghlwm).

Noder – amcan yn unig yw'r amseroedd a nodir isod

5. DOGFEN YMGYNGHOROL AR DDIWYGIO LLYWODRAETH LEOL

Ystyried adroddiad yr Arweinydd a'r Pennaeth Strategol a Gwella (ynghlwm).

10.40am – 11.40am

6. RHEOLI GALW

Aelod Cabinet: Y Cyngorydd Dyfed Edwards

Ystyried adroddiad yr Arweinydd a'r Prif Weithredwr (ynghlwm).

11.40am – 12.10pm

7. TREFNIADAU CRAFFU ARFAETHEDIG Y BWRDD GWASANAETHAU LLEOL AR Y CYD – ADRODDIAD PELLACH AR YR OPSIYNAU

Ystyried adroddiad y Rheolwr Gwasanaethau Democrataidd (ynghlwm).

12.10pm – 12.40pm

AGENDA

1. APOLOGIES

To receive any apologies for absence.

2. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

3. URGENT BUSINESS

To note any items that are a matter of urgency in the view of the Chairman for consideration.

4. MINUTES

The Chairman shall propose that the minutes of the last meeting of this committee held on 15 January, 2015 be signed as a true record (attached).

Please note that the times noted below are estimates only

5. CONSULTATIVE DOCUMENT ON REFORMING LOCAL GOVERNMENT

To consider the report of the Leader and the Head of Strategic and Improvement (attached).

10.40am – 11.40am

6. DEMAND MANAGEMENT

Cabinet Member: Councillor Dyfed Edwards

To consider the report of the Leader and the Chief Executive (attached).

11.40am – 12.10pm

7. PROPOSED SCRUTINY ARRANGEMENTS OF THE JOINT LOCAL SERVICES BOARD – A FURTHER REPORT ON THE OPTIONS

To consider the report of the Democratic Services Manager (attached).

12.10pm – 12.40pm

CORPORATE SCRUTINY COMMITTEE, 15.01.15

Present: Councillor Jason Humphreys (Vice-chairman in the chair).

Councillors:- Gwynfor Edwards, Elwyn Edwards, Aled Evans, Siân Gwenllian, Michael Sol Owen, W.Roy Owen, Eirwyn Williams, John Wyn Williams and R.H. Wyn Williams.

Officers present:- Geraint George (Head of Strategic and Improvement Department), Debbie Anne Williams Jones (Members' Manager – Democratic Services) and Eirian Roberts (Member Support and Scrutiny Officer).

Present for item 3 below:-

Councillor Ioan Thomas, Cabinet Member – Customer Care

Present for item 4 below:-

Councillor Ioan Thomas, Cabinet Member – Customer Care
Huw Ynry (Senior Information Technology and Transformation Manager)

Present for item 5 below:-

Alwyn Evans Jones (Head of Human Resources Department)

Present for item 6 below:-

Councillor Dyfrig Siencyn, Deputy Leader (deputising on behalf of the Leader)
Vera Jones (Members' Manager – Democratic Services)

Apologies: Councillors Lesley Day, Dyfed Edwards, Gweno Glyn, Simon Glyn, Annwen Hughes, Peredur Jenkins, Dyfrig Jones, June Marshall and Gethin Glyn Williams.

Also, Andy Bruce, Wales Audit Office.

Councillors John Wyn Williams and R.H. Wyn Williams were welcomed to their first meeting of this committee.

The Chairman noted that a discussion was needed at the end of the meeting regarding the membership of the Local Development Plan (Collaboration) Scrutiny Investigation.

1. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

2. MINUTES

The Chairman signed the minutes of the previous meeting of this committee held on 13 November, 2014 as a true record.

3. ENGAGEMENT STRATEGY

Cabinet Member: Councillor Ioan Thomas

- (a) Submitted – the report of the Cabinet Member for Customer Care, responding to specific questions raised at the last Preparatory Meeting, held on 27 November 2014.

Further to the content of the report, the Cabinet Member explained that he was no longer responsible for the engagement field as a result of recent changes to the responsibilities of Cabinet Members, but as the report reported on what had already happened and had been prepared before implementing the changes to the Cabinet, he was in the best position to respond to members' questions.

- (b) Members were given an opportunity to ask questions and offer their observations. During the discussion, the Cabinet Member responded to questions / observations regarding:-
- The ambition to improve engagement and the need to be realistic in light of the new financial challenge that the Council faced.
 - The need for more local engagement and improved engagement in light of the cuts that were on the horizon.
 - The emphasis that various departments placed on engagement.
- (c) The discussion concluded that engagement was vital, but was also a significant challenge which was impossible to meet fully, but that the Council would do everything in its power to realise the requirements of the Strategy.

4. EFFICIENCY SAVINGS INITIATIVE C25 – DISSOLUTION OF THE OUT OF HOURS IT SUPPORT PROVISION

Cabinet Member: Councillor Ioan Thomas

- (a) Submitted – the report of the Cabinet Member for Customer Care in response to the Cabinet's request on 16 December, 2014 for the Corporate Scrutiny Committee to scrutinise what effect efficiency savings initiative C25 would have on the relevant services' ability to maintain a service out of hours if the systems were to fail.

Further to the content of the report, the Cabinet Member explained that he was no longer responsible for the information technology field as a result of recent changes to the responsibilities of Cabinet Members, but as the report had been prepared before implementing the changes, he was in the best position to respond to members' questions.

- (b) Members were given an opportunity to ask questions and offer their observations. During the discussion, the Cabinet Member responded to questions / observations regarding:-
- The effect of the savings scheme on the most vulnerable cohorts of society given that most of the problems in the care field arose on weekends, especially during holiday periods such as Easter and Christmas.
 - The importance of being able to share data with other organisations 24/7.
 - Concern regarding abolishing the support for care workers unless there was an alternative arrangement in place.
 - The reliability of the information technology systems.
 - The need to evaluate all the information technology systems.
 - The worst case scenario if the IT support was not available.

- The feasibility of trialling the proposal for a year initially.
- (c) It was agreed to communicate the message to the Cabinet that this committee had given thorough consideration to the potential effect of the proposal and that the members were generally concerned that the risks had not been evaluated adequately, and that the practical aspects had not been considered in sufficient detail, and rather than reacting after things went wrong, it would be better to try to prevent such a situation in the first place.

5. CHEAPER ENERGY PROCUREMENT

Cabinet Member: Councillor Peredur Jenkins

- (a) Submitted – the report of the Cabinet Member for Resources, responding to specific questions raised at the last Preparatory Meeting, held on 27 November 2014.
- (b) Members were given an opportunity to ask questions and offer their observations. During the discussion, the Head of Human Resources Department responded to questions / observations regarding:-
- How best to advertise the scheme and to reach the communities that needed it most through the housing associations?
 - Ensuring the quality of the service provided by the new energy suppliers.
- (c) Councillor Eirwyn Williams was thanked for bringing this matter to light in the first place, and the councillors were asked to spread the message about the scheme in their wards.

6. PROPOSED JOINT LOCAL SERVICES BOARD SCRUTINY ARRANGEMENTS

Cabinet Member: Councillor Dyfrig Siencyn (on behalf of Councillor Dyfed Edwards)

- (a) Submitted - a joint report by the Senior Gwynedd and Anglesey Partnerships Manager, Gwynedd Council's Democratic Services Manager and the Isle of Anglesey County Council Scrutiny Officer outlining the three different options for establishing the Local Services Board's scrutiny arrangements, recommending to progress with Option B (i.e. establishing a Joint Gwynedd and Anglesey Local Services Board Scrutiny Panel), requesting that officers progress to complete the practical arrangements, to include matters such as membership arrangements, operating and training arrangements, and a list of meeting and locations.
- (b) Members were given an opportunity to ask questions and offer their observations. During the discussion, the Cabinet Member and the officers responded to questions / observations regarding:-
- The feeling that the Council and the LSB did not share the same priorities and the need to understand what the panel's role and influence was and to whom it reported.
 - A concern that the panel would move away from local accountability and that there would be more power and status related to a joint scrutiny committee between Gwynedd and Anglesey with elected members serving on it, but with the right to co-opt others according to the need. This would also strengthen the political accountability in the proposed arrangements.

- A suggestion that one representative from the voluntary sector would be sufficient so that there were four elected members from both councils serving on it to ensure clear political accountability.
 - The fact that the two County Councils were the only democratic bodies on the Local Services Board and that this should be reflected in the membership of the panel / committee?
 - How would the work be funded?
 - The need to be careful that the committee did not make decisions that could not be justified, funded or supported.
 - The need for the partnership to take this seriously, as well as a concern that organisations without voting rights would not send representatives to the meetings.
- (c) It was agreed to progress with re-considering Option B following officers forming the practical arrangements noted, but that those arrangements, along with the reporting arrangements and the situation in terms of the panel's political accountability would be submitted to this committee before the members came to a final conclusion on the matter.

7. LOCAL DEVELOPMENT PLAN SCRUTINY INVESTIGATION - COLLABORATION

- (a) It was noted that only three members had put their names forward for the investigation thus far, and the committee was asked to either nominate two other members or consider whether they should proceed with the investigation at all.
- (b) It was agreed to circulate the brief once more and discuss this field and any other possible research fields in the next Preparatory Meeting on 12 February.

The meeting commenced at 10.30am and concluded at 12.05pm.

MEETING	Corporate Scrutiny Committee
DATE	26 March, 2015
SUBJECT	CONSULTATIVE DOCUMENT ON REFORMING LOCAL GOVERNMENT
PURPOSE	To seek members' observations on a consultation paper
AUTHOR	Councillor Dyfed Edwards, Leader of the Council Geraint George, Head of the Strategic and Improvement Department

1. Following considerable discussion over the past few months about local government re-organisation, Leighton Andrews, the Public Services Minister has now published a consultation document on Reforming Local Government. The document outlines a number of changes the Government is considering in terms of local government arrangements and structures in Wales
2. Observations on the document are sought by 28 April, 2015. A note was sent out to each member, through Rhaeadr, noting that individual members or political groups, of course, are welcome to send their comments directly. A copy of the short version of the consultation document (that is appended to this report) and the response form was sent to all members. A full copy of the report is also available on the Welsh Government website <http://gov.wales/docs/dsijg/consultation/150203-power-to-local-people-fullv2-en.pdf>.
3. The formal procedure within the Council is that the matter has been considered at the Democratic Services Committee and then by this committee before the Cabinet on 14 April where the formal response by the Council will be agreed.
4. Members who are not members of the Democratic Services Committee or the Scrutiny Committee were given an opportunity to contribute in two ways:-
 - Sending written comments so that they can be addressed at the meetings;
 - Making a request to attend either one of the two meetings to contribute to the discussion
5. In terms of the document itself, it is a very wide-ranging one and the Democratic Services Committee has already given attention to issues within its terms of reference – those observations are noted in Appendix 1 to this report. Assuming that the committee does not wish to revisit the issues discussed by the Democratic Services Committee, the committee's observations are sought on the following issues:-

Paragraph 2.5 – The report notes the intention to announce proposals on council areas in October, 2015. The Committee will, no doubt wish to re-emphasise the

points made in the response to the consultation on Local Government Re-organisation in October, 2014. Those observations can be seen in Appendix 2.

Paragraph 2.7 – The Government intends to establish a Commission to deal with staffing matters, including recruitment arrangements for new councils, grading and evaluation and appointments to senior posts.

Paragraph 2.8 – The Government is likely to agree to the pressure from councils to establish a “power of general competence” that would enable them to do more things in the best interests of their communities.

Paragraph 2.10 – There is an intention to simplify the requirements on councils in terms of their constitutions.

Paragraph 3.11 and 3.12 – It is proposed to establish a set of specific duties for Chief Executives and views are sought on the suggestion of limiting how long a Chief Executive can be in post.

Paragraph 3.13 – The Government is seeking views on the possibility of taking steps to address the significant differences in the salaries of chief and senior officers within Welsh councils.

Paragraph 3.14 – The Government is looking at the possibility of following the lead of other countries and establishing an independent commission to appoint Chief Executives and other senior public roles to “bring more consistency and to build a body of public leaders with the right skills and training to do the job well”.

Paragraph 4.4 – The Government wants to give the power to Local Authorities to review the Community Councils in their areas, with a view to reducing them in general, completing this work by 2022.

Paragraph 4.5 – The Government intends to establish a set of standards that town and community councils will be expected to achieve before they can be “seen as capable and competent”.

Paragraph 5.1 and 5.2 – There is talk of empowering local communities and community groups to take responsibility for services and assets, as the Council has been mentioned at the recent “Challenge Gwynedd” sessions.

Paragraph 6.1 – The Government wants councils to take more responsibility for improving their own corporate governance arrangements.

Paragraph 6.2 – The Government is talking of doing away with some elements of the legislation that forces councils to produce annual improvement plans to be reviewed annually by the Wales Audit Office.

Paragraph 6.3 – The intention is to strengthen Audit Committees to give greater attention to councils' arrangements for self assessment and governance.

Paragraph 6.4 – There is specific mention here of the powers of Welsh Ministers to hold an independent review of concerns about an individual council and indeed to intervene specifically in the running of any council subject to those findings.

Paragraph 7.2 – The Government is talking of establishing a single web-site for which councils will have to provide information so that the public can compare how councils perform and challenge services to improve.

Paragraph 7.3 - The Government wants all councils to be more accountable digitally through web-casting and by facilitating the offering of observations by using social and other media.

Paragraph 7.4 The Government wants to increase the number of ways people can submit complaints and also the publication of an annual report on how councils have responded to complaints.

Paragraph 8.1 and 8.2 – The Government wants to see the strengthening of scrutiny within councils with adequate resources to support it and also the public being able to take part in scrutiny processes.

Paragraph 8.3 - The Government wants to see councils collaborating to scrutinise services provided regionally

Paragraph 8.4 - The Government wants to see better collaboration between the external audit bodies.

Paragraph 9 – There is mention of amending and simplifying local government funding arrangements but there are no proposals on the table yet.

6. The committee's observations are sought.

CONSULTATIVE DOCUMENT ON REFORMING LOCAL GOVERNMENT

OBSERVATIONS OF THE DEMOCRATIC SERVICES COMMITTEE

Paragraph 3.1 – The current arrangement of holding elections every four or five years should be retained;

Paragraph 3.2 – In favour of having members from different backgrounds on the Cabinet but of the opinion that it would be a mistake to have a duty because of the risks attached. Specific work should be undertaken to improve the balance between men and women on the Cabinet whilst acknowledging the Leader's right to appoint;

Paragraph 3.4 – Supportive of placing a duty on councillors to publish an annual report;

Paragraph 3.5 – Steps should be taken to promote/encourage diversity amongst councillors but uncomfortable about having procedures in place to enforce because of the complexity of enforcement. Specific work on diversity between men and women in Local Government needs to be undertaken;

Paragraph 3.6 – Supportive of the review of the best way of paying councillors;

Paragraph 3.7 – In deciding on the number of councillors, consideration should be given to the number of electors in addition to the nature of the area including population coming and going, the rural nature and the need to be a local representative rather than the number of electors only;

Paragraph 3.8 – There should be no limit on the number of terms a councillor can serve;

Paragraph 3.9 – Supportive of a system to recall councillors within specific conditions;

Paragraph 3.10 – The rules on allowing local government officers to stand for election as a councillor should not be relaxed. Local Government Councillors should not be prevented from serving as Community Councillors;

Paragraph 4.2 – The need to look at Community Governance led by members needs consideration but there are concerns about it being mandatory;

Paragraph 4.6 – The system whereby individuals can serve on a Principal Council and a Community Council should continue. Supportive of preventing a county councillor from serving on more than one Community Council.

GWYNEDD COUNCIL RESPONSE TO THE WHITE PAPER ON REFORMING LOCAL GOVERNMENT (OCTOBER 2014)

1. The Council's initial view is that we should state clearly that the Council's main responsibility is to safeguard the interests of Gwynedd residents and the services provided for them. Because of this, and accepting the reality that change is unavoidable, the responsible thing to do is not to close the door on any possibility that could lead to savings in management, central or back-office costs that could, in turn, reduce the scale of cuts that any council would have to make in the coming years.

2. As a result, the Council states that it is willing to take part in any discussions that would facilitate that in order to identify what benefits could follow if the council amalgamated with another council or councils.

3. In doing so, the Council notes some important considerations on which it would seek assurances and some questions that need answering before the Council would be able to proceed further in terms of submitting an offer to amalgamate.

4. The key considerations about which the Council would seek assurances in discussing are as follows:-

a) Ensuring accountable local democracy is crucial in moving ahead and any governance arrangements for the future must include arrangements for ensuring a dialogue on public services at a more local level than that of the current councils. Centralising in larger councils does carry a risk of distancing accountability from local communities and there is a need to improve the accountability and engagement of councils and individual members with residents and communities.

b) The pattern of public services for the future must include a meaningful role for town and community councils in terms of being responsible for and providing services.

c) In terms of the accountability of local members, assurances should be sought that the Boundary Commission proposals should not create wards that are too large, making the work of local members in engaging effectively with their communities harder.

Specifically, assurances are sought that there will be no more multi-member wards, since such provision can confuse the accountability of local members within their wards.

ch) Operating a firm Language Policy to support the Welsh Language is crucial for any new council that Gwynedd would be part of in the future, including the objectives of the Council's current Language Plan:-

- to enable everyone who receives or uses the Council's services, or contributes to the democratic process, to do so through the medium of Welsh or English according to personal choice.
- to promote the use of the Welsh language in the life of the area and to be an anchor for the language in its resurgence throughout Wales.

- to promote the use of the Welsh language by other public bodies which have dealings with the Council, and to support and promote the use of Welsh by organisations and businesses which provide services for the public in the area of the Council.
 - to establish Welsh as the official internal administrative language of the Council by providing facilities for in-post training to enable staff to develop their linguistic skills in Welsh and English.
 - to develop the ability of pupils and students to be confidently bilingual in order that they can be full members of the bilingual society of which they are a part.
- d) Certainty is required on the financial and asset position of every partner in order to assess the sort of financial position that any new council would inherit.



Llywodraeth Cymru
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Reforming Local Government: Power to Local People (Everyday summary version)

Date of issue: 3 February 2015
Responses by: 23:59 on 28 April 2015



Overview

The White Paper Reforming Local Government: Power to Local People is the Welsh Government's statement of intent about the future of Local Government in Wales. A White Paper sets out the changes the Welsh Government wants to make to the law so people can give their opinion before it happens.

This paper is a summary of the main changes we want to make, but it is not the White Paper itself. You can use it as the basis for making your views known but for the full detail you should refer to the White Paper which is available on the Welsh Government website: <http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>.

How to respond

This consultation covers a large number of matters. Many are of interest to the general public but some are technical and may only be of interest to Local Authorities. We have designed a web-based consultation survey in order to make both collecting and analysing responses easier.

You may choose to address all the issues raised by this White Paper or to complete a shorter version of the survey which focuses on the main matters of public interest. You will be able to choose your preferred option when you start the survey. A Word version is also available but we encourage you to use the online survey.

To respond to the consultation please either complete the [online form](#) or request the accompanying survey and return it

either by email to RLGProgramme@wales.gsi.gov.uk

or by post to
Reforming Local Government
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Further information and related documents

The full White Paper and a youth friendly version are available on the Welsh Government website.

Large print, Braille and alternative language versions of this document are available on request.

Data protection

How the views and information you give us will be used

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

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Ministerial Foreword – Our Vision for Local Government in Wales



If you visit the Gwent Archives at their magnificent new facility in the General Offices of the former steelworks in Ebbw Vale, you can read the minutes of the Tredegar Workmen's Medical Aid Society where Councillor Aneurin Bevan and his colleagues sought to put in place co-operative health solutions for their local community. These records are a reminder that at its best, Local Government in Wales has always had an activist nature, engaging co-operatively with local communities to find collective solutions.

We want all our Councils to be activist Councils, engaged in delivering modern, accessible, high quality public services with their communities. As we have developed our plans, we have looked at the best international experience, and drawn on the experiences of the co-operative councils movement in the UK. But we should never forget that Wales has always pioneered co-operative models, both in Aneurin Bevan's time and today. In 11 Local Authorities in Wales, tenants voted for community mutual or social enterprise solutions for the management of their social housing. The Social Services and Well-being (Wales) Act 2014 legislates for the creation of co-operative and mutual models in social care.

In this White Paper, we set out the terms of a new deal for Local Government in Wales. More than 15 years after the establishment of the National Assembly, it is time to recast the relationship between National and Local Government in Wales. Our new deal for Local Government, based on a smaller number of stronger Councils, will result in National Government in Wales setting a small number of clear national priorities, following the passage of the Well-being of Future Generations (Wales) Bill, enabling Local Government to determine with local people the bulk of local priorities.

We recognise that Local Government in Wales is currently under severe pressure as a result of UK Government austerity policies and rising demand for services. This is not an easy time for anyone in Local Government, whether they are Councillors or Council workers. It is therefore critical that we allow Local Government to focus on key priorities and learn from the best practice – tried and trusted as well as innovative – in improving the delivery of services across Wales.

Meanwhile, we must ensure local Councils are wholly representative of local communities. We need a far more diverse range of Councillors. There is a direct challenge to the leadership of Local Government to ensure this. Local Councils that reflect local communities are more likely to achieve the trust of those communities when difficult decisions have to be taken by local leadership. We should be making it easier for new people to enter Local Government at Town or Community and Principal Council level. We must ensure the system of allowances for Councillors does not mean that Cabinet Members and those with senior responsibility payments simply become another part of the paid bureaucracy. We should be seeking to reduce the cost of politics and management in Local Government.

At a time when public service organisations all around the world are learning that the old ways of doing things are not sufficient for the future, Wales has the opportunity to leap beyond others if our minds are open to the possibility. If we want to reshape our public services,

and reshape our localities, then we need to see strong, adaptive leadership across all our public services, including Local Government.

We are ambitious for Local Government in Wales, and for our local communities. This White Paper sets out our vision for Local Government in Wales, and explains how we will take these proposals forward.

A handwritten signature in black ink that reads "Leighton Andrews". The signature is written in a cursive style with a large initial 'L'.

Leighton Andrews AM
Minister for Public Services

1. Introduction

The Welsh Government wants the best for Wales and people living in Wales.

In order to achieve this, we believe Councils in Wales must change. We have set out our reasons and our proposals for change in a White Paper called *Reforming Local Government: Power to Local People*. A White Paper details the changes the Welsh Government wants to make to the law so you can give your opinion before it happens. This is a shorter version of *Power to Local People* which highlights the main changes we want to make.

Now we want to know what you think

1.1 Our vision

Our vision is that people in Wales are served by responsible Councils that listen to everyone in their area, that represent the communities they serve and are accountable for delivering good quality services.

1.2 Why things need to change

Councils are also known as County or County Borough Councils, and as Local Authorities. There are 22 of them in Wales. A Council is made up of up to 75 Elected Members (or Councillors) who stand for election every four years. This group of up to 75 Members is the ruling body or "full Council". If you're over 18 and live or work in the area, you can vote in Council elections and stand to be elected as a Councillor.

Every year in Wales, Councils spend about £8 billion. Over half of this money comes in the form of a grant from Welsh Government. The rest is made up of council tax, fees, charges and other sources. With this money, Councils provide a vast range of everyday services including:

- primary and secondary schools;
- social services, including services for families and children, adoption and fostering, disabled people, and older people;
- youth services;
- recycling and rubbish collection;
- maintaining roads and pavements and cleaning the streets;
- leisure centres;
- licensing the sale of alcohol and tobacco;
- making sure cafes and restaurants have clean and hygienic kitchens;
- controlling where new houses, offices and factories are built;
- housing;
- libraries; and
- allotments.

Councils are facing enormous pressures. The population of Wales is getting older and as well as being a good thing (we all want to live longer) this can put a strain on Council services. Our expectations for the quality of services are rising. At the same time, while the amount of money Councils have to spend is still going up slightly, they are certainly under serious funding pressures. In part, this is because the Welsh Government has been getting less from the UK government. This is likely to continue for some time, so something has to be done.

The Welsh Government asked a group of experts, known as the Commission for Public Service Governance and Delivery, to make recommendations about what we should do. We agreed with most of the Commission's findings and *Power to Local People* sets out the Welsh Government's plans to make changes to how Councils work. When everybody has had an opportunity to make their views known, we will produce a Draft Bill (a law we propose to ask the National Assembly for Wales to pass). The Bill will show in detail how the changes will work. Everybody will have a chance to comment on the Draft Bill before it is introduced into the Assembly after the next Assembly elections in May 2016.

To read our full proposals for Reforming Local Government, please refer to the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

2. Balancing the Responsibilities of the Welsh Government and Local Government

It's important that everyone understands the roles and responsibilities of the Welsh Government and Local Government.

Councils make their own decisions locally and answer to local people, but for some of the services they deliver they also have to meet requirements placed on them by the Welsh Government. Our role is to set national policy and standards for key services like education, social services, waste and planning. This is important so people can expect the same high quality of service no matter where they live in Wales. If Councils don't deliver services to these standards, the Welsh Ministers can step in and take action.

2.1 Present role of Councils

The role of Councils has always been changing and will continue to change with time. Councils have:

- **mandatory functions and powers** (things they must do) such as education, social services, safeguarding children, waste collection, housing and local transport;
- **discretionary powers** (things they may do) such as promoting economic development, arts, culture, leisure, sports and tourism; and
- **regulatory functions and powers** (things they do to protect the public) such as trading standards, environmental health, licensing alcohol and tobacco sales, taxis etc.

The most important thing is that Councils are successful now and in the future. This means having good, strong leadership.

2.2 Working together

If services are to meet people's needs, service providers need to work together, this includes Councils, the NHS, the police, voluntary organisations and community groups. For example, the NHS and the Council will need to work together when somebody comes out of hospital and needs help at home.

Public services also need to work together in other areas that are behind the scenes. Sharing 'back office' services like office space, energy, ICT and financial systems, and professional services can help keep costs down.

There are many different ways in which Councils work with partners, such as:

- the Partnership Council and the Welsh Government's Local Government Scheme help National and Local Government work together;
- local service boards bring all the main public services in a Council area together to decide what the main priorities are; and
- the Social Services and Well-being (Wales) Act 2014 helps Councils work with partners to keep children safe and look after older people.

2.3 Regional working and City Regions

Councils also have to work with neighbouring Councils to meet the needs of a region. This type of working already happens in many areas, such as social services, fostering and adoption services, youth offending and alcohol and substance misuse.

It's also important for jobs. People often live in one Council area and work in a nearby city, such as Cardiff, Swansea or Newport. With new investment, our cities are seen as the main source of new jobs and growth for the next generation. This needs the Welsh Government to work together with Councils, private businesses and voluntary organisations. We've already started this work by setting up City Region Boards to provide leadership in the Swansea Bay City Region and the Cardiff Capital Region.

2.4 A Framework for Sustainable Public Services in Wales

The new Well-being of Future Generations (Wales) Bill, which is currently being considered by the National Assembly, sets out a framework for all public services in Wales, to ensure they meet the needs of people today and in the future. The Bill:

- sets out national goals and measures for progress;
- ensures public services work according to sustainable development principles, such as thinking about the long term, collaborating, focusing on prevention, and working with the public;
- sets out how Councils and other public services will set local goals;
- establishes a Future Generations Commissioner to oversee and report on progress towards the goals; and
- requires public services in local areas to work together through Public Services Boards.

This framework will help clarify the relationship between National and Local Government.

For example: In waste, setting goals nationally has delivered better results. Councils are responsible for collecting and dealing with domestic waste, but the targets are set nationally. Under our 'Towards Zero Waste' Strategy we have invested £676 million since 2001 in helping Councils meet recycling targets, reducing landfill costs and creating new jobs. As a result, Wales is now the best in the UK and 4th in Europe.

2.5 Council areas

In our previous White Paper, *Devolution, Democracy and Delivery: Reforming Local Government* (July 2014), we set out our intention to reduce the number of Councils in Wales. We will make arrangements to do this in the draft Bill to be published in autumn 2015.

2.6 Status of new Councils

Councils are known by lots of different names, for example; County, County Borough, City and County. We think all Councils should use the same title: County Councils.

2.7 Staff

We want each new Council to have a strong, motivated workforce. These changes will take a lot of planning. We consulted on setting up a non-statutory Public Services Staff Commission, initially on a non-statutory basis. We will now make legislative provision for it in the second Bill.

This Commission will consult widely, for example, with employers, Trade Unions and employees. They will advise on:

- recruiting and keeping staff within and across Councils during these changes;
- transferring staff from current to new Councils;
- making sure everyone understands and has the same terms and conditions of service, such as travel payments, flexible hours and pensions;
- job grading and evaluation;
- appointments to senior posts and other posts; and
- how the effects of these changes and other issues need to be considered for other public services.

2.8 Legal powers of Councils

Councils need to be able to carry out their work within the law. We call this legal competence. Unless the law permits it, sometimes Councils are not free to make choices or follow new ideas for delivering services.

Councils have argued for a 'general power of competence' which would enable them to do more things in the best interests of their communities. We agree and intend to give them this power.

2.9 Other powers

We are in favour of giving these new Councils more powers, but first we want to make sure they are using the powers they already have well. We will then consider whether they should be given more powers in the future.

2.10 Council constitutions

Rules are necessary, but too many rules can make work difficult. By law, Councils have to set out their rules in a document known as a constitution. The constitution helps Councillors, officers and the public understand how they make decisions and who's responsible for those decisions. However, constitutions can be huge documents which seem to focus only on legal and bureaucratic processes.

We think it would be better for Councils to have a constitution that also sets out some of the more basic things which people care about: its core values, the principles it works to and how it will relate to the public it serves.

2.11 Review of the body of Local Government Legislation

Councils work under the rule of law. Some of these laws date back to the 1970s and many have not changed much since Victorian times, while some have been added to or changed many times so they can be difficult to understand. We want to look at the laws that Councils have to follow and see if they are still up-to-date and fully fit for the next generation.

We want:

- all Councils to be known by the same title (County Council);
- to give Councils more freedom to do what's best for their local communities; and
- each Council to set out its core values, the principles it works to and how it will relate to the public it serves.

To read our full proposals for **Balancing the Responsibilities of the Welsh Government and Local Government**, please refer to Chapter 2 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

3. Renewing Democracy

Local democracy isn't achieving everything it could to improve the well-being of people in Wales. This is partly because there are different roles in a Council and there's often confusion about who does what. So we want to make sure everyone understands their responsibilities and how they are accountable. We also want Councillors to reflect the communities they represent.

3.1 Council elections

Elections to the UK government and the National Assembly happen every five years but elections to Councils are every four years. In Wales, all Councillors come up for election in one go, but in some Councils in England, a third of the Councillors are up for election every year. This is called 'phased elections'. In some ways, phased elections mean the public are given a choice more often, but in other ways it means that Councils change a lot and can lack direction.

We want your views on whether we should have Council elections every five years rather than four, or whether we should consider phased elections.

3.2 The roles and responsibilities of the Leader

If someone is standing to be a Leader, people want to know what they stand for. We believe they should have a written statement of goals and present it to the Council before their election, and report each year on how they've achieved their goals. The public should be told how they are carrying out their job and be clear if there are problems.

The Leader is the political spokesperson for the Council and they select a Cabinet of Elected Members to help them get things done. Together, they are known as the Executive. The Chief Executive is not an Elected Member (or a member of the Executive!). They are appointed by the Council and are responsible for the management of the Local Authority and the staff.

Leaders need their Cabinet Members and the Chief Executive to deliver their plans, so they need to know how well they are doing. To make this clear to people, we want the Leader of each Council to set goals for Members of the Cabinet and for the Chief Executive and check how they are doing each year.

We believe the best Cabinets are those that reflect the population they serve. So we intend to put a duty on Leaders to make sure that as many different people from as many different backgrounds as possible are selected for Cabinet so that many different views are represented.

3.3 The roles and responsibilities of Cabinet Members

The Cabinet is there to decide what the priorities are and how they can be achieved. They have a responsibility in decision-making. Some Cabinets make decisions in an open fashion and can show evidence to back their decisions, others aren't. This has led to some criticism, especially as it costs a lot of money to have a large number of Cabinet Members across Wales.

Under the Local Government Act 2000, a Cabinet can have up to ten members. In Wales, Council Cabinets range from seven to ten members. Each Cabinet Member is full-time and on a senior salary. Some of them have important legal responsibilities, for example the Cabinet Members for social services and education. However, it's not clear if all Cabinet Members have the same level of responsibilities or need to be full-time. It may be a good idea to have part-time

Deputy Cabinet positions that open the door to a wider range of Councillors who may have other jobs or be parents. We are seeking views on whether we should reduce the number of Cabinet Members.

3.4 The roles and responsibilities of Councillors

We need to make it clear what the expectations are for Councillors. They need to lead their communities and make sure people's voices are heard when decisions are made. They need to communicate with the people they serve and this includes making sure there are opportunities for them to participate in what is happening. They should use social media and digital technology to make themselves more available.

Councillors have a very important role holding the Leader and Cabinet to account. They are essential for making sure the Council is well run. This is a difficult job and they need to have the right training, especially as their responsibilities grow in larger Councils.

Councils have to support Councillors to publish a report each year on what they have achieved. However, fewer than half do so, which is why we want to change the law to make sure they publish a report. Councillors are paid through taxpayers' money and they should tell us what they have achieved.

3.5 Diversity among Councillors

We want communities to identify with their Councillors and feel like they are listening to them. Inequalities in gender, age and ethnic groups standing for election means that communities don't always trust that their views are being understood or their needs met.

In other areas of public life, such as voluntary organisations, there are a lot more people from different religions, cultures, backgrounds and genders working to meet people's needs. However, very few people who work in these areas go on to become a Councillor. This is a loss to democracy. If we want to encourage people to stand for election we have to show that Councils are open, welcoming and respect differences. We need to make sure that there are policies in place to stop bullying and harassment, and promote respect as well as making sure leaders understand their responsibility to set an example to all Councillors and Council staff.

Many Councils across Wales have Youth Councils. We believe these are essential for encouraging young people get involved in politics now and in the future and we will make it a requirement each area must have a Youth Council.

3.6 Remuneration of Councillors

It's important for democracy that we encourage a more diverse group of people to stand for election and that they are not out of pocket from being a Councillor. At the moment, Councillors receive £13,000 a year allowance, but Leaders, Cabinet Members and some others get considerably more, between £26,000 and £53,000.

This allowance affects people differently. For example, for a retired person it's an extra income, but for a single parent with a part-time job this could take them to a higher tax bracket and therefore discourage them from serving.

We believe the system of remuneration for Councillors – Executive and non-executive – needs to be clearly spelt out in such a way as the public can see how the levels payable are arrived at.

3.7 Number of Councillors

At present, there are 1,254 Councillors in Wales. We will need to decide how many Councillors there should be in fewer, larger Councils in Wales. We are seeking views on whether the number should be reduced and what factors we should take into account in determining the right number.

3.8 Term limits for Councillors

At the moment there's no limit to how long someone can be a Councillor. One survey found that half of all Councillors in Wales had served at least ten years and some over 50 years. It might be better for communities if there was a limit on the number of years or terms Councillors can serve. This would give more opportunities for people to stand and for more people to take part in running their local area. We are suggesting a limit of five terms for Councillors, and two terms for Leaders, Elected Mayors and Cabinet Members.

3.9 Recall of Councillors

The Recall of MPs Bill is a new law being passed by the Houses of Parliament. This means that a Member of Parliament must resign their position if ten per cent of the people in their area sign a petition and call for it. Recall could only happen if the MP has:

- broken the law and been convicted of an offence;
- been imprisoned; or
- they've been suspended from the House of Commons for at least ten days.

We are seeking your views on whether we should have similar rules for Councillors. For example, the recall of a Councillor could happen if they have been punished by the Council's Standards Committee or the Adjudication Panel for Wales for breaking the code of conduct.

3.10 Electoral qualification

Most local people can serve as a Councillor but a few small groups are not able to. People who work in a Council may not stand for election to the Council they work for unless they resign first. We believe this prevents a large number of potential candidates from diverse backgrounds coming forward. We want to change the law so they would only have to resign if they were elected.

We also want to look at whether Councillors in Local Government should be stopped from serving either as Assembly Members or as Community Councillors at the same time, because of the demands on time and possible conflicts of interest.

3.11 The roles and responsibility of the Chief Executive

The term "Chief Executive" (occasionally "Managing Director") is used throughout Local Government in Wales for the top official or the head.

Chief Executives are appointed, not elected. The Chief Executive's main role is to make sure the Council delivers the Leader's political objectives and meets the needs of the people in their areas. They also need to make sure that everything the Council does is in line with the law and value for money. However, there is no legal requirement to have a Chief Executive and we believe there should be.

The law says each Council must have a designated person who is the Head of Paid Service. This person should have the staff and other resources they need to carry out that role. In most Councils the Chief Executive is also the Head of Paid Service and we believe these two roles should be combined.

The Chief Executive must have a clear set of duties against which their performance can be measured and to make sure, if they fail, they can be dismissed by the Council. We believe these duties should be to:

- prepare and publish a corporate plan;
- prepare and publish self-assessments of the Council's performance each year;
- set up a peer review every two years of the Council's performance and prepare a report for the Council on actions to be taken;
- put in place a performance management system for all employees; and
- promote engagement and diversity in democracy.

3.12 Term limits for Chief Executives

When someone has been the Chief Executive for a very long time, there is a danger of that person's power and influence becoming overwhelming. We are seeking views on whether there should be a limit on how long a Chief Executive can stay in post, and if so, how long.

3.13 The cost of senior management

Councils set the salaries of Chief Executives and many senior management roles. Chief Executives in Wales earn between £105,851 and £194,661. The size of senior management teams in Wales varies widely, from three in some Councils to 17 in others. Senior managers earn between £60,000 and £150,000. The variation in both the number of senior management posts and their salaries seems to be unconnected to the size or complexity of the Council. It's a lot of public money, in total almost £26 million a year. We are seeking views on whether there should be more consistency in the number of senior posts and their salaries.

3.14 Senior appointments to the new Authorities

In some countries, such as New Zealand and the Republic of Ireland, there is an independent body that manages the appointments of Chief Executives and other senior public roles. This helps to bring more consistency and to build a body of public leaders with the right skills and training to do the job well.

We are seeking views on whether we should adopt this approach in Wales.

We want:

- to look at the roles and responsibilities of people at all levels of Local Government, this includes the Leaders, Cabinet Members, Councillors and Chief Executives;
- to reduce the cost of politics in Wales;
- a wider group of people from different ages and backgrounds to get involved and stand to be a Councillor if they want; and
- to look at how often and for how long someone can hold a senior position in a Council.

To read our full proposals for Renewing Democracy, please refer to Chapter 3 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

4. Connecting with Communities

Wales has always had strong communities, where people get involved and make things happen. Sometimes, they find it difficult to get involved because they're not told about decisions until the last minute. This means people often only get involved when there is a threat of closing a service or closing a community facility, such as a library or leisure centre. This results in lost opportunities for communities to take charge of things themselves.

Councillors are chosen to represent their area through Council elections, and then they make decisions on our behalf. This is called 'representative democracy'. But we expect more these days. We pay for local services through our taxes and we expect to have a say more often than every four years when there are Council elections. We expect to be able to participate in all decisions which affect us. This is called 'participatory democracy'.

Councils have not always been very good at helping people to get involved. This must change. In their community leadership role, Councils and Councillors need to be putting people and their views at the centre of everything they do.

4.1 Community governance in Wales

Community governance is the way people in local areas or neighbourhoods organise themselves and manage their services and assets they hold. There are different ways of doing this:

- Council area committees;
- Community Councils;
- Partnerships between public services and voluntary groups;
- Community trusts and social enterprises; or
- Programme partnerships, such as Communities First.

There are already many of these groups working in communities and sometimes it can be difficult for them to make their voice heard and to influence Council decisions. We believe Councillors should have a strong role leading their communities and we are proposing there should be a new system to help do this.

4.2 Councillor-led community governance

With fewer, larger Councils, it is essential that communities play a greater role than at present. We believe the new Councils when they are working with communities should be divided into smaller areas, and a community partnership called an Area Board set up in each of these. The Council should decide the size and shape of these smaller areas after talking with local people and other public services.

The Area Boards should be led by the Councillors for that area acting together, but they must involve charities, community bodies, social enterprises and other public services, including Community Councils. The meetings of these Area Boards must be held in public, and everybody who lives in the area should have the right to speak, so that the Board can take notice of their views and concerns.

The purpose of these Boards is to shape the local community by changing the way services are delivered there. The Board will be able to call the officers of the Council to explain themselves if services are not up to scratch. They should also help community groups when they want to take charge of local facilities, such as a community centre or playing fields. There's also an opportunity for Area Boards to take responsibility for new ideas and initiatives in their area, including those funded by UK and Welsh Government programmes.

Councils will have to understand that these Area Boards are really important and support them with all the resources they need to carry out their day-to-day roles.

4.3 Community Councils

There are 735 Community Councils in Wales. Community Councils work at the town or village level and some serve a very small area. We believe this is too many and the smaller ones simply don't have the resources to get much done. One strength of Community Councils is that they're closer to local people, however, they aren't always open and don't always involve the public they serve. In principle they are democratic bodies and for this reason they can raise local taxes, but in reality there is no competition for the vast majority of seats in Community Council elections.

4.4 Local Authorities review of Community Councils

There's a lot of good work that Community Councils do. However, we think there is a clear case for making changes. We want Community Councils to be more ambitious and work in partnership with other community groups. We want them to be open about the decisions they are making and involve the people in their area. We need them to see themselves as part of public services in Wales, and be more actively involved in work that support families, children and young people and other vulnerable groups like older people.

They can only do this, if there are fewer, larger Community Councils. Some of the smaller Community Councils should look at joining together to form larger Community Councils that look after wider areas. In order to achieve this, we want to give Local Authorities the power to review the Community Councils in their area and with a view to reducing the overall number, and for them to complete this work by 2022.

4.5 Governance and standards

As well as changes to Community Council areas, the public needs to know there are standards for how Community Councils manage their business and how public money is spent and accounted for. We want to have a set of tests that Community Councils have to pass to be seen as capable and competent.

Councils that pass these tests will have extra rights and responsibilities. They will have wider powers to do things for the benefit of their community. Those that don't pass the tests should look to do so by joining with another smaller Community Council to form fewer, larger Community Councils.

4.6 Community Councillors serving on more than one Council

Almost half the Councillors on the main Councils are also Community Councillors. This could cause conflicts of interest when main Councils are conducting reviews of Community Councils. Also, some people serve on more than one Community Council as well as being a Councillor of the main Council.

We want your views about whether we should prevent the same person serving on a main Council and a Community Council, and on more than one Community Council.

We want:

- Councillors to be actively involved in their communities and Area Boards;
- Councillors to have an open door, listening to people's needs;
- Councils to work together with other services, voluntary organisations and communities; and
- Councils to look at the Community Councils in their area and consider changes.

To read our full proposals for *Connecting with Communities*, please refer to Chapter 4 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

5. Power to Local Communities

Wales has a proud history of co-operatives and community or social enterprise, people who run a business not for personal profit but to help the community. There are many examples across Wales of small community trusts which run village halls, leisure centres and sports facilities. There are also many big examples, such as farmers' co-operatives and housing associations, as well as major companies like Dŵr Cymru Welsh Water and the Principality Building Society. In fact, the social housing in half all Council areas in Wales is now run by housing associations and tenants have a major role in running them.

We want to see more of this kind of social enterprise so that communities can have greater rights to decide how things work and people can be involved in the decisions which affect them.

5.1 Community participation

Sometimes people get frustrated because the service they're getting is not good enough and they know it could be improved, often with small changes. We believe that if a community group feels that a service could be improved, they should have a right to approach the Council, set out all their ideas and plans, and get involved in improving the service. In some cases, this could mean the community group taking over the service and running it themselves.

We believe this could be a powerful way for community groups to make sure their voice is listened to. Council staff will need to develop skills to work in new ways and it may take a culture change in leadership.

5.2 Transferring Council property to the community

Councils own lots of buildings, land and property, such as offices, halls, libraries, leisure centres and playing fields. These are known as 'assets'. In these difficult financial times, Councils may no longer afford to keep them and they may want to sell them or get somebody else to run them up. However, they don't always ask the community for their views and whether they would like to take it on themselves.

We believe community groups should have the right to approach the Council and propose that they take over an asset for the benefit of the community. This could mean selling the asset to the community group (at the market rate or below) or the community group may wish to run and manage it for a period of years. We would expect the new Area Boards to help community groups where there was community support for taking over Council property. The Welsh Government has produced a toolkit setting out how to transfer assets successfully.

As well as being able to show support for their plans, community groups would need to have a legal structure with the right skills and financial controls in place. There would need to be safeguards so that the asset remained in the community and was not sold for profit.

For example: Torfaen Council transferred three sports and leisure centres over to a community trust to run and it means the community got to keep using these. Other Councils let community trusts run libraries, so they don't have to close.

5.3 Community ownership

Communities may also want to have more say over property which is privately owned, such as a village pub or shop or playing fields, or owned by other public services. This kind of property has a special value to the community and can often play an important role in making sure communities thrive, by providing jobs and services for local people. In some areas they can be important for protecting the Welsh language.

The Welsh Government believes community groups should have a right of first refusal when property of community value comes up for sale. They would normally have to buy the property at market value but they would have a period of time in which to raise the funding. There could be an accelerated procedure for property that has been neglected or abandoned. There would need to be certain protections for private property owners.

We are seeking your initial views on this proposal, with a view to consulting further in due course.

We want:

- community groups to have rights and powers they can use; and
- community groups to actively take part in change.

To read our full proposals for Power to Local Communities, please refer to Chapter 5 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

6. Corporate Governance and Improvement

The public and people who work for Councils expect them to be well run. However, Councils face enormous pressures. The population is getting older and this puts a strain on Council services. Our expectations for the quality of services are rising. At the same time, the amount of money Councils have to spend has been getting less each year because the Welsh Government has been getting less money from the UK Government. This is likely to continue for some time, so something has to be done.

There are times when Councils in Wales haven't met the needs of people in their area and Welsh Ministers have had to step in to put things right. Sometimes this happens because it's not clear who's really in control and who's job it is to fix things.

At times like this, leaders need to be focused and have vision, and managers need the right controls in place so they know what's going on.

6.1 Corporate Governance

Corporate governance is about how well an organisation is running, including how it manages risks, plans its finance and resources and has the right checks and balances in place so people can be held to account.

It's the Chief Executive's job to make sure all of this is in place, but Councils under the law also must have an Audit Committee to help the Chief Executive by checking the Council is being the best it can be and making improvements where they're needed. There is also a role for the Monitoring Officer whose job it is to see the Council operates within the law.

We want Councils to take more responsibility for making improvements so the Welsh Ministers don't have to step in so often to put things right. This means the corporate governance processes need to work better.

6.2 The Local Government (Wales) Measure 2009

This law means Councils have to make annual plans to improve. The Auditor General for Wales checks every year whether they have improved, and whether they can improve further. We believe this law is not working as it should and that sometimes we are measuring the wrong things and missing the things that really matter. The Welsh Government intends to do away with this law, although some parts of it may be kept in new legislation.

6.3 Managing improvement through Self-assessment and Peer Review

In order to make sure improvements are happening and the right checks and balances are in place, we intend to make Audit Committees stronger. Under our proposals, the new Corporate Governance and Audit Committee will have more powers and involve more independent members. These independent members won't hold political agendas that could influence their decisions.

We will also require the Chief Executive to carry out a self-assessment each year of how well the Council is operating and to report to the Leader and Cabinet on any matters of concern and what action is being taken to put things right.

To make sure the assessments are fair and reasonable, every other year we want the Council to be reviewed by a group of experts. This is known as a 'peer review'. A peer review is when a group of qualified professionals and people who understand how Councils work look at what staff do and the systems they use so they can pick out areas for improvement. They also compare what they have found with the Chief Executive's assessment to see how well they match.

Together, we believe stronger Corporate Governance and Audit Committees and a system of self-assessment and peer review should give the Leader all the information they need to deliver the best services possible for local people within the budget available.

6.4 Powers to intervene

Sometimes, however, things will still go wrong. When this happens in areas such as social services or education, there is a risk of that members of the public might suffer disadvantage or even come to harm. In these cases, the Welsh Ministers must have powers to act quickly.

We believe the Welsh Ministers should have the power to commission an independent review of a Local Authority if:

- a whistle-blower says there are issues;
- their performance is below what it needs to be;
- they are behind other Councils in key areas;
- there are concerns raised by the Council itself or its Members;
- information from auditors or inspectors show problems; or
- the public have concerns about issues.

The Welsh Ministers would then use these findings to decide if support or formal intervention is necessary.

We want:

- to strengthen the role of the Council Audit Committees;
- to introduce a system where Council leadership have to do self-assessments and be challenged over the systems they put in place;
- to give Welsh Ministers powers to ask for independent reviews; and
- to give Welsh Ministers powers to step in if they think Councils aren't improving or aren't working.

To read our full proposals for Corporate Governance and Improvement, please refer to Chapter 6 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

7. Performance in Local Government

Public services should be excellent no matter where people live in Wales.

The Welsh Government sets out the policy and legal framework that each Council has to work to but services are managed and delivered by Councils. Making sure services are excellent means having the right systems in place so managers know what needs to be done, how much needs to be done, and what quality standards need to be met.

Every community is different. The Council's role is to make sure that services are right for their communities.

7.1 Planning how to get things done

Providing excellent services means having clear goals, the right information and a detailed plan. This is called 'corporate plan'.

A new law, the Well-being of Future Generations (Wales) Bill, is currently going through the National Assembly. This law sets out long-term goals for Wales and will require each Council to have their own goals which show what the local priorities are. These will be chosen by the Leader, agreed by the whole Council and set out in the 'local well-being plan'.

We believe it is the job of the Chief Executive to then produce a plan to show how these goals will be achieved. The corporate plan will set out how the Council will meet its goals in the short, medium and long-term. It will set out how the Chief Executive will use the staff and resources of the Council, how risks will be managed, how services are performing now and what needs to improve, and how the public can have their say on the things that affect them.

7.2 Information to compare services

Corporate planning can only work well if the Council has good, up-to-date information. This doesn't mean more information. In fact, we believe we should simplify the information Councils are required to publish.

The right information, however, lets managers, Councillors and the public see how things change over time, spot dips in performance, and compare one Council's performance with others. An example is the My Local School website, which allows parents to compare their school with others (<http://mylocalschool.wales.gov.uk/>).

The Welsh Government believes there should be a single website where Councils will be required to publish information that can be used by the public to compare how Councils are performing and challenge services to improve. This website should also include:

- the local well-being plan;
- reports on individual Councils by expert bodies such as the Wales Audit Office and the bodies that inspect education and social services;
- self-assessment and peer review reports;
- the corporate plan; and
- information about complaints.

7.3 Digital Councils

The Welsh Government believes digital technology has huge potential to change the way services are delivered and how Councils are held to account. The focus needs to be on ease of use and open access. We question whether most Councils fully understand the kind of cultural change required to achieve the greatest impact from technology.

We have made clear our intention that Council and Executive meetings must be broadcast live online so more people can take part and see what is happening in their area. Now we want to go further. We want to give the public the right to make their views known on any agenda items of meetings of the Cabinet, the Council or its Committees, and for those views to be taken into account. We also believe the public have a right to report or have their say by using social media during all public meetings in the Council.

7.4 Complaints

Complaints give valuable information that can lead to improvements. We want Councils to give communities and people as many ways as possible to complain and tell them about problems they are facing with services, and for the Council to prepare regular reports for the Audit Committee to consider, setting out information about the number of complaints, what they are about and how they have been resolved.

We want:

- to make it a requirement that Councils have to write and publish a plan each year that shows what they will do in the short, medium and long-term to serve their community;
- to build a website holding information about each Council and how they are doing compared to other Councils; and
- Councils to have ways for people to complain when there's a problem. This includes online ways.

To read our full proposals for Performance in Local Government, please refer to Chapter 7 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

8. Strengthening the Role of Review

Public scrutiny is an essential part of making sure Councils are effective and accountable. Councils are paid for through taxes and their decisions and actions should always be open to examination and the public should play a part in this.

The main ways this happens in Councils is through **internal checks** carried out by Councillors sitting on scrutiny committees, and **external checks** carried out by independent experts.

8.1 Internal checks – Scrutiny by Councillors

Most Councillors are not part of the Executive. That is, they are not involved in the day-to-day spending decisions or running of the Council. One of their most important jobs is to examine the plans and decisions of the Executive and the senior management team and suggest improvements. They do this through scrutiny committees.

Good scrutiny leads to better decision-making and supports better services. Good scrutiny must

- be independent from the Executive;
- be planned in advance so that people can prepare;
- have adequate resources;
- have the right information to hand; and
- draw on the experience and views of service users, their families and community groups.

The Welsh Government has done a lot in recent years to strengthen scrutiny but we believe it could be strengthened further. We are seeking views on whether Councils should do more to protect the independence of scrutiny, enable scrutiny to look at the Executive's main decisions before they are made, set out clearly what will be scrutinised in the future, and give independent members of scrutiny committees the same voting rights as Councillors. As many services are now delivered in partnership between different bodies, we also want to know whether Council scrutiny committees should be able to look at all the public services in their area.

8.2 Giving people a voice in scrutiny

People want to be involved and engaged if they believe they can make a difference. This includes taking part in the assessment of services and how they've been provided. This happens in some Councils but not all. We want more opportunities for people to be able to take part and have a say about a service improvement and be able to ask scrutiny committees to look into things they're concerned about in a Council.

8.3 Scrutiny of regional services

Many services are now delivered by a number of Councils working together, for example, improvement services in education. This can mean that the body delivering the services is examined separately by each individual Council. This can be very time consuming and wasteful. The Welsh Government is proposing the Councils that are working together should set up a joint scrutiny committee to examine the work of the service provider.

8.4 External checks – Scrutiny by Audit, Inspection and Regulation Bodies

There are a number of independent bodies established by law to look at what Councils do. The Auditor General for Wales looks at how they are spending public money and whether they are getting value for money. The Care and Social Services Inspectorate Wales inspects Councils' social care work and regulates child care and care homes. Estyn inspects Council education and children's services, including schools. They play a very valuable role providing an independent view of how Councils are performing and whether services are up to scratch.

We believe the links between groups that carry out external reviews and scrutiny committees should be stronger. By sharing information, scrutiny committees can draw on the independent expertise of the external review bodies to ask harder questions about areas of concern.

We also believe we should strengthen joint working between the external review bodies. Every two years they should work together to produce a report on each Council as well as an annual assessment of Local Government as a whole across Wales. Their focus should be on the difference Councils are making and on spotting examples of good practice so Councils can learn from each other.

We want:

- scrutiny committees to plan better;
- the public to get involved in scrutiny more; and
- groups involved in external checks to share information, work with Councils and write reports together.

To read our full proposals for Strengthening the Role of Review, please refer to Chapter 8 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

9. Reforming Local Government Finance

There are a lot of changes that we want to make through this White Paper, but they will make a real difference to communities across Wales and the people who live in them. To support these changes, it also makes sense for us to review how we fund the work that Councils do.

Councils in Wales spend over £8 billion a year on running costs and delivering services. This money comes from lots of different places: the Welsh Government, grants, council tax and more.

The way the system works now is complicated and there are other things happening in Wales, like new tax raising powers, which will inform our options for change. However, changing our funding systems isn't without risk and we want to make sure that we do it right. We won't change the whole system all in one go, but we will make sure the current system is prepared for when the new larger Councils begin to take over.

We also need to be thinking long-term. We need to think about how the funding system can be changed so that Councils are more accountable to local people when they decide what to spend their money on. At the moment, Council funding and capital investment comes from many different places and we want to look at whether the balance is right between what comes from national funding and what Councils raise locally, like council tax. We also need to consider how we can link funding to the performance of Council services. These things will require a lot more thinking and we will publish further papers on this in due course.

We want a new system that:

- is clear and simple;
- works and manages our resources well;
- gives clear lines of accountability so new Councils can show what they're spending money on;
- has clear links between the amount of funding and the amount of results so services can improve;
- encourages new thinking, planning and ideas for delivering services;
- helps local communities get involved; and
- helps with decision-making.

To read our full proposals for Reforming Local Government Finance, please refer to Chapter 9 of the White Paper, *Reforming Local Government: Power to Local People*.

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

10. Conclusion

Thank you for reading this. If you want to read the full document or to let us know your thoughts please fill in our online survey which you can find on our website:

<http://wales.gov.uk/consultations/localgovernment/power-to-local-people/?lang=en>

Or you can send your views to:

Reforming Local Government
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

or by email to: RLGProgramme@wales.gsi.gov.uk

The closing date is **28 April 2015**.

MEETING	Corporate Scrutiny Committee
DATE	26 March, 2015
SUBJECT	DEMAND MANAGEMENT
PURPOSE	Responding to a request by the Scrutiny Committee for a progress report
AUTHOR	Councillor Dyfed Edwards, Council Leader Dilwyn Williams, Chief Executive

BACKGROUND

1. The Council's Strategic Plan for 2014/15 includes a specific priority, namely, "Reducing the Demand for Services through Prevention and Early Intervention". The Plan notes that this had been identified as the Council cannot cope with the increasing demand for services unless it implements cuts to services. It is clear that there is a need to identify new and innovative methods of providing services, if we are to reduce the number of services to be cut. It was noted that this would increase the Council's investment and focus on preventive and early intervention work in key fields.
2. In terms of specific commitments, the plan notes the following two points for implementation in 2014/15:-
 - There will be clarity regarding the direction and ambition of the demand management thematic projects (namely; Children, Young People and Families, Older People, Health, General Services and Transferring Responsibility) with enablement projects in place to support the success of those projects.
 - The residents of Gwynedd will gain financial/non-financial benefits from the *Cyngor Ni* project schemes.

UPDATE

3. The committee has already received reports on the *Cyngor Ni* project and, specifically, has received a report on the project to Procure Cheaper Energy (*Cyd-Cymru*) at its last meeting. In addition, communities were prepared to face the challenges related to snow through the *Eryrod Eira* (Snow Eagles) scheme.
4. In terms of the more thematic work, some large specific projects have been identified in the fields noted above and work has been underway behind the scenes with project leaders to support the work of trying to reduce the demand in the way that they plan their services for the future.
5. For example, this was given specific attention in the Adults Service field by working on the End to End Project in the Adults Service which gives direction to all work within the service. A scheme was also created in order to reduce dependency in

Children's Services. In addition, demand management work is integral to the work which is about to end on the review of how the Council deals with special education needs in the future.

6. One key element of demand management is to move to more self-service provision, which is more convenient for citizens and saves money for the Council as a provider. Very useful work has been undertaken to support the case for developing more services such as these and it is expected that the outcome of this work will be seen over the coming years with more choice and less cost for the Council. A business case to this end will be submitted to Cabinet over the next two months.
7. As a final example, demand management was a key part of the change undertaken to refuse collection arrangements where an investment by the Council in terms of engaging and discussion has resulted in a situation where the residents of Dwyfor, the first area to be given the new arrangements, have shown that behaviour can change successfully through collaboration and discussion.
8. The above mentioned examples highlight that the principle of demand management is key as the Council addresses the financial challenge that it faces over the coming years. However, it has also become apparent that this type of approach needs to be mainstreamed through all Council services in order to try to ensure that our services are sustainable. The work of *Ffordd Gwynedd* encourages staff on all levels to think about improvements and to challenge how things have been done in order to maintain services in the interests of residents and save on costs.

QUESTIONS

9. To respond specifically to the Scrutiny Committee's questions:-

I. Does the Council have the necessary skills and capacity to ensure the success of Demand Management?

The Council has been developing its skills in the fields of demand management, engagement and co-production in recent years and we have pockets of expertise within the Council. The challenge will be to extend those skills across the Council; however, this will be a longer term task. Therefore, over the coming year, attention and support for large change projects will need to be prioritised.

II. What formal/informal engagement has there been with partners and residents of Gwynedd regarding demand management? What was the outcome of this?

The discussion with the public and with partners has been happening through "Gwynedd Challenge" where we have been trying to increase awareness about the challenge that the Council faces and inviting ideas to reduce the demand in the first

instance and then to find creative and different ways of delivering the remaining demand. To date, partners, including social enterprises and community councils, have shown great eagerness; however, it is early days in terms of showing a difference. Specifically, the Gwynedd and Anglesey Local Services Board has been looking at key fields in which demand management will be crucial over the coming years, including Older People and difficult families.

III. How is the Council managing to strike a balance between demand management and responding to the genuine needs of the residents of Gwynedd?

The *Ffordd Gwynedd* agenda forces us to place the people of Gwynedd at the centre of everything we do. The principle of demand management is getting to the core of the genuine demand rather than responding to expectations which could be unreasonable in light of the dwindling resources. Without managing demand and looking for alternative ways of providing services, it is almost certain that we will not be able to meet the genuine needs of the people of Gwynedd.

IV. How certain is the Council that it will realise financial savings as a result of Demand Management? Are those savings likely to be at the expense of the most vulnerable residents of society?

Demand Management in all our work is likely to result in either realising savings or at least reducing costs as the demand increases. Proposals will have to be weighed up in the context of the individual projects. The test of a mature Council is protecting those residents who are most vulnerable in society but it is important to note that this does not mean not implementing changes even in those situations.

V. Are there definite promises in the field of Demand Management to be included in the Council's Strategic Plan for 2015/16 onwards?

No and certainly no corporate "project" will not drive this; it is crucial that all the principles of *Ffordd Gwynedd* are mainstreamed through all the Council's work and not the subject of a specialist project that sits in one place. It is expected for demand management principles to be integral to any Strategic Plan project and any savings scheme which will be realised in 2015/16 and beyond.

However, there will be corporate arrangements in place to ensure that we maximise every available opportunity in order to reduce the need for cuts and, should a situation arise where we can identify an opportunity that services have not exploited, we will draw the service's attention to that.

NAME OF SCRUTINY COMMITTEE	Corporate Scrutiny Committee
DATE OF MEETING	26 March 2015
TITLE	Proposed Scrutiny Arrangements of the Joint Local Services Board – A further report on the options
AUTHOR	Vera Jones (Democratic Services Manager, Gwynedd Council)

1.0 BACKGROUND

1.1 The Corporate Scrutiny Committee received a report at its meeting on 15 January, 2015, outlining the initial direction of the proposed arrangements for scrutinising the Local Services Board. Three initial options were developed as follows:

- A) Continue with the existing arrangements in both counties
- B) Establish a scrutiny panel with membership from both counties and other bodies
- C) Establish a Gwynedd and Anglesey Scrutiny Committee (and invite other bodies when it is timely)

1.2 There was a good discussion at the meeting and a further report was requested following raising specific fields of concern by elected members. The concerns raised involved clear political accountability, undemocratic bodies being part of the scrutiny process, panel membership and a clear reporting path to the Council.

1.3 To facilitate the development work further in these fields of concern, it was decided to hold a workshop in the Scrutiny Chairs Forum to discuss these matters and to try to work towards a clear resolution, with independent and expert advice and assistance from Rebecca David-Knight from the Centre for Public Scrutiny.

1.4 The meeting was held on 25 February, 2015 and this report includes the recommendations of Members of the Scrutiny Forum, along with Councillor John Wyn Jones and R. H. Wyn Williams who attended the workshop to represent the Corporate Scrutiny Committee.

2.0 OPTION B

2.1 The diagram below provides a rough outline of the responsibilities for the joint scrutiny 'panel' and shows the reporting and accountability paths as discussed in the workshop.

2.2 Arrangements for securing recommendations and reporting.

SCRUTINY PANEL -

Examine Why? What? Results?



The Panel draws up recommendations to be submitted directly to the Local Services Board
i.e. delegate the power to the Panel

If there is a specific matter of concern for the Council, then report back to the Council.

To report back via the relevant preparatory meetings in the field to be discussed and then decide whether a matter needs to be further addressed and to report to the relevant Scrutiny Committee (e.g. an issue regarding vulnerable people to the services preparatory meeting).

2.3. Membership

- i) Gwynedd Council to report that it recommends that the other bodies identify an individual from the non-operational side of their organisation - an independent person (e.g. their scrutinisers or internal audit), but bearing in mind that the individual must possess the appropriate skills to be able to scrutinise effectively.
- ii) Three Members from Gwynedd to be identified as follows:
Chair of the Scrutiny Forum
The Services Scrutiny Committee and the Communities Scrutiny Committee to identify a representative and to ensure that the three representatives are seriously committed to undertake the duties.

2.4 The Forum also noted that they recommended trialling the procedure for a period of a year before reassessing the arrangements and their success at that time.

3 RECOMMENDATIONS

The Scrutiny Forum recommends that the Services Scrutiny Corporate should:

- Support Option B, ensuring that the reporting procedure noted in 2.2. is incorporated
- To report to the group which is drawing up more detailed arrangements on the recommendation regarding membership noted in 2.3(i)
- To trial the arrangements for a period of a year prior to further assessment.

APPENDIX 2

Membership

There are various options available when considering membership of the Scrutiny Panel of the LSB. It is considered that it is best practice, however, that such a Panel includes representatives of partnership agencies. Representatives from the partners will bring a different contribution and perspective to the Board including their own specific form of accountability and their unique service and professional expertise. The aim is to create a strong synergy by amalgamating and building on strengths and address barriers where they could exist. The following membership is proposed based on good practice:-

- 3 Elected Members of Gwynedd Council who are not on the Executive Committee
- 3 Elected Members of Isle of Anglesey County Council who are not on the Executive Committee
- 1 nominated from Betsi Cadwaladr University Health Board
- 1 nominated from North Wales Police
- 1 nominated from the North Wales Fire and Rescue Service
- 1 nominated from Mantell Gwynedd
- 1 nominated from Medrwn Môn.

Governance and Reporting back Arrangements

One of the main strengths of this model is its flexibility. Further work must be completed to develop the governance and reporting back arrangements in full for the proposed Scrutiny Panel. The following guidelines will be a basis for these arrangements:-

- Provide a 'critical friend' challenge for the Local Services Board.
- Actively scrutinise, evaluate and promote improvement in the work undertaken in accordance with the Local Services Board's priorities and not those of the individual organisations that form part of the Board and are represented on the Local Services Board.
- Scrutinise, evaluate and actively promote improvement in terms of developing and implementing projects to address the priorities established by the Local Services Board.
- Submit reports to the partners or the LSB (as appropriate) and make recommendations on measures that could improve the impact of the Local Services Board.
- Reflect the voice and concerns of citizens and communities in Gwynedd and Anglesey.

Frequency of Meetings

It is proposed that meetings of the Panel will be called every six months. However, there will have to be some flexibility in the evolution of the transformation of the Local Services Board e.g. perhaps members of the Panel would wish to consider matters in an ad-hoc manner.