

## **GWYNEDD COUNCIL'S RESPONSE TO THE COMMISSION'S CONSULTATION ON GOVERNANCE AND PUBLIC SERVICES PROVISION**

### ***Introduction***

The Council is grateful for the opportunity to present evidence to the Commission to assist it with its work of examining the way in which public services are governed in Wales. We recognise that this area is extensive and that the timescale is limited. In our evidence we will therefore focus on examining the changes since the inception of the current arrangements, and the further changes which are on the horizon. Based on this we will also look at what, in our opinion, are the essential attributes for sustainable public service governance arrangements which will provide the best outcomes for local people. Finally, considering these essential attributes, we propose some principles that we believe should underpin any new governance models.

We hope that these observations, and especially our proposed principles, will assist the Commission with the preparation of its report, and we request that the Commission gives them due consideration.

### **1. *What has changed since 1996?***

- 1.1 The current local government arrangements in Wales were established in April 1996. Since then there have been a number of significant changes which have affected the future suitability of these arrangements.
- 1.2 In 1999 the National Assembly for Wales was established, with powers devolved to it from Westminster, thereby creating an additional tier of government with democratic accountability. Since then additional powers have been conferred upon the Assembly and the Welsh Government now has decision-making powers on high level executive matters and on policy development in the devolved areas. This provides an opportunity for some functions to be governed and/or provided on a national level.
- 1.3 The health service in Wales was reconfigured in 2009, with one Local Health Board established for north Wales, replacing the previous 6 health boards which were coterminous with the counties. Therefore the health service (in the same manner as the police and the fire and rescue service) is on a regional basis. There is close interaction between health services and social services in the provision of care.
- 1.4 Demographic changes have also occurred during the period. Gwynedd's population is growing and ageing, and the scale of growth in the population 65 years and older is increasing. Gwynedd has experienced in-migration by people 50 years and older which contributes to the comparatively older population in the county. The population is by now more mobile than it was 20 years ago.

- 1.5 Over recent years evidence from a number of auditors' reports (Estyn, CSSIW, WAO) has shown that service provision does not consistently meet the expected standards. As a result, the Welsh Government has intervened in the Isle of Anglesey County Council, and in some specific services within a number of other councils. The same trend can be seen in the health sector. One conclusion from this evidence is that the current systems are not fit for purpose and that they do not provide the best outcomes for local people.
- 1.6 During recent years a number of collaboration arrangements have also been established between councils and other agencies e.g. North Wales Transport Consortium (TAITH), the school improvement collaboration arrangements (Gwe), the Local Services Board, North Wales Safer Communities Board. Some of these are governed by joint committees, and others have more informal arrangements. The effect of this collaboration is to separate democratic accountability from the decision-making power. As a result, institutions are slow in moving towards collaboration arrangements as they do not allow sufficient transparency regarding roles, powers and responsibilities.
- 1.7 The financial climate has also changed significantly, and there is now an expectation that public services should be provided using fewer resources. In the case of Gwynedd Council it is estimated that savings worth in excess of £30 million have had to be found since 2007/8 to meet the deficit between the monies received from the Welsh Government and the increasing demand in services. This equates to 15% of the 2007/8 budget.

## **2. *What further changes are on the horizon?***

- 2.1 Further financial austerity is anticipated over the next few years. Clear messages have already been received from the Minister for Local Government that we should prepare for grant cuts "at the level seen in England". Taking this at its literal meaning it would mean a reduction of 4% per annum in the monies the Council receives whilst inflation and the demand on services continue to increase.
- 2.2 New communication methods – social media, websites etc – have grown in popularity during the last few years and is expected to continue – especially amongst the younger population. One of the associated side-effects is less emphasis on the geographic society and greater emphasis on a society based on a community of interests. This is coupled with a greater willingness to travel further and to access services electronically rather than physically.

2.3 Due to the technological revolution, the pace of change is increasing. This could lead to instability unless the new arrangements are planned to be flexible and able to respond rapidly to change.

3. ***What are the key attributes of sustainable arrangements which offer the best outcome to local people?***

3.1 **The arrangements should be sufficiently robust to withstand change.** With the speed of changes in the public arena, new arrangements must be designed which will be viable for a meaningful period of time. This calls for the rationalisation of the existing arrangements, and the integration of common areas of services. This would lead to fewer organisations (as organisational boundaries lead to the creation of obstacles) and more organising around common interests.

3.2 **The arrangements should reflect the tendencies of younger communities.** For the arrangements to be viable for the future they must address the way that the younger generations live, work and socialise. This can mean less focus on the traditional geographic boundaries of communities, and more focus on bringing together communities of interests through technological access.

3.3 **The arrangements should reflect the population's identity.** Identity encompasses the elements which allow the identification of specific cohorts within the population. It includes culture, language, background, environment (rural/urban character), and interests. Attention should also be paid to economic issues regarding location and access to work and industry. It is possible to acknowledge identity in terms of groups of communities as well as for wider areas.

3.4 **The arrangements should be clear regarding local democratic accountability.** This will give the citizen assurance about who to hold to account for all aspects of public services. In many of the existing collaboration plans, the statutory accountability remains with one body (the local authority) whilst giving the executive powers to another body (the collaboration board). The effect of this separation is to dilute the democratic process and local accountability. This also distances the citizens from the arrangement by reducing their influence on it.

3.5 **The arrangements should be fit for purpose, without prejudice to any format.** Attention should be given in the first place to the functions and the purpose of the arrangement, and the format should follow this. One aspect of appropriate arrangements is to ensure a critical mass for service provision and to ensure the economic viability of the body. Another aspect is to ensure local accountability and understanding. Appropriate arrangements should balance the various aspects.

3.6 **The arrangements should focus on the customer's needs.** The aim at all times is to achieve the best for the citizen. If so, the arrangements should not only be appropriate in terms of governance, but should also offer accessible services (either geographically or electronically), and services should be easily understandable without bureaucratic layers. They should be designed with the customer's requirements at the forefront, as opposed to the organisation's requirements.

3.7 **The arrangements should give due regard to the third sector.** The importance of the third sector should be acknowledged in providing services to the customer. The relationship between the public services and the third sector provision should be rationalised, and advantage should be taken of the opportunity to provide clear guidance to the third sector regarding the area's requirements.

#### **4 *Which governance models would be suitable for public services?***

4.1 **The arrangements will be based on the recognition that various tiers of governing bodies exist.** Specifically, we anticipate that national, regional, sub regional and local bodies all have specific, albeit different, roles. A national body defines itself as a body that serves the whole of Wales. The definitions of the three other tiers are not as clear. There is therefore scope to define them by reference to the key attributes noted in part 3 above. The important aspect is to ensure that the bodies in the various tiers are fit for purpose and focus on their roles. By using the key attributes, it could be considered that a local body, for example, would need to be larger than the existing community councils, but perhaps smaller than the county councils (e.g. an arrangement to include groups of the existing community councils.) The same rationale could be used for the other tiers.

4.2 **High level and overview strategies are set at the highest level which ensures accountability.** Therefore, the greater the distance between the body and the citizen in terms of democratic accountability, the lesser the direct engagement with the citizen. This basis would lead to a need for the Welsh Government (a national body) to shift its focus to solely setting strategic direction. There are some strategies where it is more appropriate for them to be set at a lower level in order to ensure local democratic accountability. In order to avoid duplicating governance arrangements it would probably not be appropriate to devolve strategic direction to the lower tiers.

4.3 **Service provision is set at the lowest level which allows sustainability.** The provision is the direct contact point with the customer, and setting it at the lower tiers would respond to the need for the arrangements to meet the demands of the customer and allow the customer to influence them. It would also allow services

with a local slant to be provided at a more local level. Despite this the arrangements must meet the criteria of ensuring a critical mass. This type of model, in some areas, might lead to the separation of service commissioning and provision.

- 4.4 **Public services would be integrated.** It is anticipated that arrangements will aim to simplify the abundance of various bodies and agencies which currently provide public services. Rather than designing arrangements around the type of body or organisation that exists, and their powers and rights, there is an opportunity to design arrangements based on the impact on the citizen. This could mean integrating similar services (e.g. care) in order to reduce confusion and provide clarity at the point of delivery.
- 4.5 **There is an opportunity to extend democratic input to more public services.** In developing a model of public services based on various tiers of bodies taking the responsibility for setting strategic direction, commissioning and service provision, democratic accountability can be maximised. Such a model can address the governance and delivery requirements of some services which have traditionally been outside the democratic arrangements of local and central government.
- 4.6 **The governance model will be accountable, understandable and a recognised body.** In order to meet the key attribute of providing clarity of local democratic accountability, the model needs to be based on bodies with legal status, with elected membership, and the power to act. These bodies can be called to account – both legally and democratically. They will be bodies with clear responsibilities, duties, rights and powers. Any model that does not meet these basic requirements is likely to be unsustainable in the long-term.

Dyfed Edwards  
Council Leader  
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