

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2014-2015

**COUNCIL
22ND APRIL, 2015**

**JOINT REPORT OF THE DIRECTOR,
LEGAL & DEMOCRATIC SERVICES
AND THE SERVICE DIRECTOR,
CABINET & PUBLIC RELATIONS**

	Agenda Item No.10
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CONSULTATION ON THE WELSH GOVERNMENT'S WHITE PAPER – REFORMING LOCAL GOVERNMENT: POWER TO LOCAL PEOPLE

Author: Ms.Karyl May, Head of Democratic Services
Tel.No.01443-424045

1. PURPOSE OF THE REPORT

The Purpose of this report is to advise Members of the comments of both the Cabinet and Scrutiny Working Groups in respect of the Welsh Government's White Paper – Reforming Local Government: Power to Local People, which needs to be responded to by the 28th April, 2015.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Endorse the response of the WLGA as shown at Appendix 1 of the report.
- 2.2 Take into consideration the comments of the Cabinet and Scrutiny Working Groups and that these, in addition to any further views (as appropriate) expressed at the meeting be submitted to the Welsh Government by the 28th April, 2015.
- 2.3 Note the comments of the Standards Committee made at the meeting held on the 13th April, 2015 as reported orally at the meeting.

3. BACKGROUND

- 3.1 Members will recall that at the last Council Meeting held on the 25th March, 2015, it was agreed that Working Groups of both the Cabinet and the Overview and Scrutiny Committee (open to all non-executive Members) be established to consider and make comment on the Welsh Government's White Paper – Reforming Local Government: Power to Local People, which was published on the 3rd February, 2015 and responses to be made by 23.50 on the 28th April, 2015.

- 3.2 Members of the Cabinet and Scrutiny Working Groups met on Thursday, 9th April and Monday, 13th April, 2015 respectively. To assist Members of both Working Groups, the Director of Legal and Democratic Services with the aid of PowerPoint slides provided Members with an overview of the nine chapters within the White Paper, together with the draft responses of the WLGA.
- 3.3 Members of both Working Groups were of the view that whilst the White Paper included a number of clear policy proposals, there were many shades of green in that there were a number of open ended questions seeking views on policy options.
- 3.4 Again, Members of both Working Groups endorsed the response of the WLGA as shown at Appendix 1 (Executive Summary) and the additional comments are attached in the respective minutes attached at Appendices 2 and 3, where Members will note that the Working Groups did not support the new power for Standards Committee. The response of the Council's Standards Committee following its meeting held on the 13th April, 2015 in respect of the proposed powers to Standards Committee as outlined in Chapter 3 of the White Paper will be reported orally at the meeting.

4. CONCLUSION

- 4.1 The White Paper has been considered in great detail by Members of both the Cabinet and Scrutiny Working Groups and although Members support many of the policy proposals there were a number of open ended questions on policy options which should have been included in a `Green Paper` prior to the production of this White Paper.
- 4.2 It is therefore felt appropriate that the response of the WLGA be endorsed and the comments of the Working Groups together with any additional views expressed at the Council Meeting (as appropriate) be submitted to the Welsh Government by the deadline of the 28th April, 2015.

LOCAL GOVERNMENT ACT 1972

as amended by the

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LIST OF BACKGROUND PAPERS

COUNCIL

22ND APRIL 2015

**JOINT REPORT OF THE DIRECTOR, LEGAL &
DEMOCRATIC SERVICES AND THE SERVICE DIRECTOR, CABINET & PUBLIC
RELATIONS**

BACKGROUND PAPERS

**CONSULTATION – WHITE PAPER – REFORMING LOCAL GOVERNMENT:
POWER TO LOCAL PEOPLE**

Freestanding Matter

Contact: Ms.Karyl May, Head of Democratic Services Tel.No.01443-424045

Draft response to the
Welsh Government's
White Paper "Reforming
Local Government:
Power to Local People"

31st March 2015



WLGA • CLILC

INTRODUCTION

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales. The three fire and rescue authorities and the three national park authorities are associate members.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. A draft Executive Summary is set out in pages (i) to (vii).
4. A full draft response to the White Paper is set out in pages 1 to 37.
5. WLGA would be grateful to receive any comments from the membership on the draft response to the White Paper and a response by 14th April 2015 would be appreciated.

For further information please contact:

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Executive Summary - WLGA Draft Response

Chapter 1 - Welsh Government Vision for Local Government in Wales

The Welsh Government vision for local government sets out the concept of an “activist” council which has derived from “the best international experience, and drawn on the experiences of the co-operative councils movement in the UK”. There is a welcome proposal of a power of general competence for all Welsh Councils. However many of the proposals to underpin this vision are qualified and conditional on creating larger reorganised councils.

Response

- WLGA welcomes the debate that has started on developing a vision for the future of local democracy in Wales and is committed to taking this forward in an open and constructive manner.
- WLGA members believe that the “activist” council model has real attractions but that it would require greater autonomy for local authorities than is afforded currently by central government and recognition that a public service ethos is fundamental.
- WLGA members are firmly of the view that the principles of localism and subsidiarity need to be embraced by all levels of government in Wales.
- WLGA and our colleagues across the UK support the concept of a Constitutional Convention following the general election with every nation and region in the country engaged in a dialogue with our communities about how power needs to be dispersed and how sub-national devolution can be strengthened.
- WLGA members believe that the Welsh Government should rapidly move forward to de-hypothecate all specific grants following the approaches in England and Scotland.

Chapter 2 - Balancing the responsibilities of National and Local Government

This chapter recognises that a new approach is needed to underpin central local relations in Wales and will be achieved by a review of the body of local government legislation. It also highlights that Welsh Government remains firmly of the view that both structural and organisational reform of Local Government is necessary.

Central local relations

Response

- WLGA repeats its call for clarity from Welsh Government on how local government reorganisation is to be funded and for an end to the current ambiguity on structures.
- WLGA calls for an independent review of central local relations in Wales aimed at producing clearer accountabilities and ensuring that the interface between devolved and local government drives priorities.
- WLGA calls for an annual meeting between all Welsh Government Cabinet Members and the 22 leaders to exchange ideas, plan implementation of legislation and test strategic direction of key policies. This can also be used as an opportunity to discuss new approaches.
- WLGA supports the review of the body of local government legislation and the recasting of local authority constitutions

Chapter 3 – Renewing Democracy

The proposals in this section deal with suggested reforms aimed at renewed democracy. These include reducing the number of councillors across Wales, term limits, right of recall, possible election by thirds etc. This chapter has proved the most controversial to date in the discussion around the White Paper. The tenor of discussions thus far has failed to recognise the time, commitment and service of existing councillors in relation to working in their communities and improving councils.

Councillor Numbers

Response

- WLGA proposes that a definitive view on council structures needs to be reached before the question of councillor numbers can be answered.
- WLGA advocates that any proposals must examine the optimum level of representation for a locality rather than focusing on averages across the UK.
- WLGA calls for the immediate formation of a Commission between Welsh Government, the Boundary Commission and WLGA to make progress on the way forward on levels of representation.

Remuneration

Response

- WLGA calls on Welsh Government to undertake a national review of comparative levels of remuneration beyond local government across the public sector, including non-elected bodies in Wales.
- WLGA does not feel that the case has been made for reducing allowances at a time when the size of authorities and the scale of responsibilities are increasing.
- WLGA believes that the work of the Independent Review Panel needs to be examined to understand why a system of allowances subject to objective evaluation and accumulated benchmarking since 2007 is now deemed not fit for purpose.

Term Limits

Response

- WLGA does not support the concept of term limits. While WLGA members are fully prepared to engage in a national debate on term limits this must be on the condition that it covers all levels of political representation in Wales.

Right of Recall

Response

- WLGA does not support the concept of right of recall. While WLGA members are fully prepared to engage in a national debate on the right to recall this must be on the condition that it covers all levels of political representation in Wales.

Diversity

Response

- WLGA fully supports the promotion of more diversity in Welsh Local Government and the provisions of the report "On Balance"
- WLGA believes that the promotion of diversity in local government must start with the selection processes of the political parties.

Electoral Cycles

Response

- WLGA fully supports a five year fixed term electoral cycle

- WLGA rejects the proposals for 3 year electoral cycles for the reasons highlighted in our response.

Senior Officers

Response

- WLGA believes that consideration should be given to initial fixed term contracts for Chief Executives so as to avoid the need to legislate in this area.
- WLGA is not persuaded by the case for a public services appointments commission and believes that it denies the key principle of local democratic choice in senior appointments.
- WLGA supports the idea of the Staff Commission having a role in commenting upon and reconciling salary levels for senior managers within a more consistent national framework across all public services.
- WLGA does not support lifting the electoral qualification for officers to stand as councillors in their own authorities.

Chapters 4 & 5 - Connecting with Communities and Empowerment

This section examines the potential role of area boards and reforms to town and community councils. It stresses the importance of member led community governance, however some of the proposals also add to the complexity of local governance frameworks which actually confuse and diminish the accountability of members at the local level.

Response

- WLGA supports fully the concept of member led community governance.
- WLGA believes that in some cases Area Boards can add value but only when there is local demand and not when imposed through national frameworks.
- WLGA calls on Welsh Government to implement the Williams Report recommendations on reducing complexity before any new localized structures are put in place.
- WLGA supports the proposal to give the new principal councils the power to lead reform of town and community councils.

- WLGA does not believe that a full review of governance and structures of Community councils can be completed by 2022
- WLGA is committed to public service provision through local government and, while accepting that alternative models of service delivery must be explored and considered, believes that the future sustainability of public services will rely on direct provision by councils.

Chapter 6 - Corporate Governance and Improvement

The White Paper outlines continued commitment to the concept of self-improvement, where councils themselves remain responsible for identifying their own improvement priorities, identifying and mitigating improvement challenges and risks and managing service performance. The White Paper therefore proposes a repeal of the more general improvement provisions in Part 1 of the Local Government (Wales) Measure 2009 and reaffirms an intention to retain Ministerial intervention powers, including a new power to commission an independent governance review of an authority in certain circumstances.

Response

- WLGA welcomes the Welsh Government's continued commitment to and strengthening of an improvement regime based on self-assessment and self-improvement.
- WLGA supports the general proposals to strengthen the role of Audit Committees, but the Welsh Government should also seek to clarify the distinct remit and roles of audit and scrutiny
- WLGA does not support the proposed reforms to ensure that the chair of Audit is an independent member or that Audit Committees should include a greater proportion of independent members.
- WLGA welcomes the White Paper's recognition of the value of peer review, but believes it should remain a sector-led, sector-owned and sector-commissioned model and should not be statutory or prescribed.

Chapter 7 - Performance in local Government

The White Paper further explores the key components of effective governance and self-improvement and outlines proposals for a requirement for councils to publish a corporate plan that covers the short, medium and long term, annual reporting arrangements covering performance for the previous year. The White Paper also clarifies Welsh Government intention to streamline the performance measurement regime in line with the Williams Commission recommendations and proposes the

establishment of an online information portal including councils' performance information and performance documentation and reports.

Response

- WLGA supports many of the aims of the White Paper around seeking to streamline and more effectively and transparently measure, manage and report council performance.
- WLGA and Data Unit welcome the Welsh Government commitment to working with partners in developing the proposed new, streamlined approach.
- WLGA does not support proposals for 'financial penalties' and thinks it will unfairly undermine performance and attainment of standards. The White Paper does not explore the potential of minimum standards in detail.
- WLGA supports the proposal that councils should produce a comprehensive corporate plan, but is not convinced it will lead to clearer demarcation of the respective roles of councillors and senior managers and, given its comprehensiveness and complexity, it will not support or promote public engagement or accountability.
- WLGA supports the White Paper proposals around openness and transparency of council business and recognises the potential for increased service provision and customer contact through digital channels.

Chapter 8 - Strengthening the Role of Review

The White Paper outlines the Welsh Government's plans continued commitment to the concept of local democratic oversight and scrutiny of local government and, potentially, partner organisations. The White Paper outlines proposals to further clarify, support and strengthen local scrutiny, the relationship of scrutiny with external inspectorates and regulators and improved coordination of information and activities of such external bodies.

Response

- WLGA supports many of the principles and objectives that underpin the chapter on strengthening the role of review, many of the individual proposals are also endorsed.
- WLGA supports the introduction of 'Key Decisions' to clarify the key issues which scrutiny should consider and may be subject to call-in when appropriate. Similarly scrutiny forward work planning could be strengthened, but prescription should be proportionate.

- WLGA recognises the contribution and value of co-optees but it should be a matter for local determination regarding the role and voting rights of co-optees.
- WLGA does not support the proposal to legislate to ensure that collaborative or jointly commissioned services have a joint scrutiny committee. Local accountability arrangements should be left to the discretion of constituent authorities.
- WLGA supports the proposals around strengthening the links between external inspection and regulatory bodies.
- WLGA supports in principle the proposed joint 'whole system assessment' of authorities, but a biennial assessment does not appear to be proportionate and could place a significant burden on authorities.

Chapter 9 - Reforming Local Government Finance

This chapter highlights longer term proposals for reform of the finance system in Wales supported by changes to the way local services are funded and the mechanisms for distributing, raising, managing and accounting for the funding.

Response

- WLGA would argue that as the arena of local government finance is the key issue facing local government, reform should be given greater prominence within the White Paper.
- WLGA fully supports the White Paper proposals on council tax revaluation, reform of the local government funding formula and new approaches to local taxation.
- WLGA has commissioned an Independent Commission on Local Government funding to examine the crisis in local government funding and the Welsh Government is invited to participate in this work.

DRAFT

APPENDIX 2

**OFFICIAL ATTENDANCE OF RHONDDA CYNON TAF COUNCIL'S CABINET
COMMITTEE WORKING GROUP**

REFORMING LOCAL GOVERNMENT: POWER TO LOCAL PEOPLE

Minutes of the meeting of the Cabinet Committee Working Group – “Reforming Local Government” White Paper on Thursday 9th April, 2015 at 11am at the Council Headquarters, Clydach Vale.

County Borough Councillors in attendance:-

(Mrs) M Webber – Chairman

R Bevan

G E Hopkins

M Forey

Officers in Attendance

Mr P Lucas – Director, Legal & Democratic Services

Mr C Hanagan – Service Director, Cabinet & Public Relations

Ms K May – Head of Democratic Services

1 DECLARATION OF INTEREST.

In accordance with RCT Council's Code of Conduct there were no declarations of interest made at the meeting.

2 APOLOGY

An apology of absence was received from County Borough Councillor K Montague.

3 WELSH GOVERNMENT WHITE PAPER. REFORMING LOCAL GOVERNMENT: POWER TO LOCAL PEOPLE.

The Chairman thanked both Members and officers for attending the meeting and particular thanks was given to the Head of Democratic Services for the preparatory work undertaken in advance of the meeting. The Chairman also took the opportunity to refer to the recent event attended by both members and officers on the white paper.

The Service Director, Cabinet and Public Relations referred to the Council meeting of the 25th March where the Council resolved that two working groups of Executive and non Executive members be formed to consider the white

paper, with the working groups responses being reported to Council on the 22nd April to assist in forming the Councils response to the consultation document by the deadline of the 28th April, 2015.

With the assistance of a PowerPoint presentation the Director, Legal and Democratic Services provided an overview of the White Paper focussing on the papers timetable and the Merger Timetable in conjunction with the Boundary Commission before looking in detail at each of the 9 Chapters of the White Paper, whilst also detailing the response of the WLGA in respect of each of the Chapters.

Following detailed discussions on the White Paper the Members **RESOLVED** to endorse the response of the WLGA to be taken forward, with the addition that the Council does not support the proposed new power for standards committee, as outlined within Chapter 3 of the White Paper.

Further to endorsement of the WLGA response the additional comments were made:-

Chapter 1.

- Lots of reliance on the capability of 3rd Sector and Community resilience to take services forward.
- Potential of inequity across Councils, with pockets of provision in certain areas where communities have capability to deliver but this may not be universal across the Council. Potentially resulting in a post code lottery of services.
- Injection of funds from community Councils into Community resilience projects, potential increase in Community Council subsidies to support.

Chapter 2

- All Councils to be called a County Council contradicts the Royal Charter for those Councils that have been awarded 'City' titles.
- Agree that council constitutions need to be streamlined and more user friendly, although the essence of the document should remain a process and protocols document with Councils visions being incorporated in other Councils strategic documents such as the SIP.
- Accountability – other partners also need to accept responsibilities for accountability.

Chapter 3

- Clarification needed on the proposed 10 year term – ambiguity on whether a Member could be a Cabinet Member for 5 years and then

became Leader, whether they would have a 5year term remaining or further 10years.

- Taking away the right from the general public to elect their representative and the paper devalues the work of Councillors.
- No career path for young people when entering into politics.
- Case studies with the work of Councillors should be included within the White paper to illustrate the work of Councillors.
- Natural progression that Councils Elected Member representatives change over the years, so no need for enforced terms of office.
- Remuneration – Work of Councillors increasing with balancing budgets, working in partnerships and working within deprived areas.
- Recall – The ombudsman and Councils Standards committee deal with such issues
- Diversity – potential of not capturing the public's opinion, the public will support the candidate that they want to vote for.
- Electoral Cycle – 3year terms provides uncertainty and lack of continuity, with Councillors and the public continually facing elections
- Senior Officers – It should be for Councillors to be responsible and accountable for the appointment of Senior officers and not an appointments commissions. An appointments Commission demonstrates a prescriptive nature by Welsh Government.
- Standards Committee – Do not support the addition of the proposed powers to Standards Committee.

Chapters 4 & 5.

- Area Boards – In respect of the Board who would appoint its representatives and would they represent the Community, potential for vested interests.
- How will the Area Boards fit with the Public Service Boards coming out of the Future Generations Bill- Will there be a potential for these Boards to undermine the role of Cabinet and Council in decision making.
- Reform of Town and Community Councils – although the White Paper discusses mergers is there potential for dissolution. Is there a potential for Town or community councils to increase their precept to pass the competent communities test, with £200k minimum budget.
- Emphasis on Community resilience throughout the Chapters.

Chapter 6

- Query how the White paper empowers the local people if Welsh Government Can step in if they believe Councils aren't improving or working.
- Independent member on Audit Committee –we already have an independent cop-opted member on our Audit Committee who chairs the Committee.

Chapter 7

- Do not support financial penalties – often information cannot be obtained or measured due to external factors outside Councils control
- Social Media – How can you legislate for Social Media such as Facebook when it's not a nationalised industry.

Chapter 8

- Co-optees on scrutiny will bring value, with different experiences but who is the co-optee accountable too
- Joint scrutiny may be beneficial in some areas, although it is felt in some service areas it should be for each Councils own scrutiny Committee to scrutinise the service rather than collectively, to ensure that the Councils legislative responsibilities are being carried out.

Chapter 9

- Complete agreement with the WLGA response.

In addition to the above comments, Members also thought it may be beneficial to give an indication of the time both Councillors and officers had spent considering the White Paper.

This meeting closed at 12.20pm

Cllr M Webber

Chairman

APPENDIX 3

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

Minutes of the meeting of the Overview and Scrutiny Working Group (open to all non-executive Members) – “Reforming Local Government: Power to Local People” (White Paper) held on Monday, 13th April, 2015 at 12 noon at the Council Headquarters, Clydach Vale.

PRESENT:

County Borough Councillor R.K.Turner – Chairman

County Borough Councillors

J.Bonetto	(Mrs.)A.Roberts
S.Carter	G.Smith
G.R.Davies	R.W.Smith
(Mrs.)M.E.Davies	G.Stacey
(Mrs.)C.Leyshon	C.J.Willis

Officers in Attendance

Mr.P.J.Lucas – Director, Legal & Democratic Services
Ms.K.May – Head of Democratic Services

1. DECLARATIONS OF INTEREST

In accordance with the Council’s Code of Conduct, there were no declarations of interest made at the meeting.

2. WELSH GOVERNMENT – WHITE PAPER – “REFORMING LOCAL GOVERNMENT: POWER TO LOCAL PEOPLE

Following the meeting of the Council held on the 25th March, 2015 when it was agreed that Working Groups of the Cabinet and the Overview and Scrutiny Committee (open to all Members) be established to consider and make comment on the White Paper and that the views from both be reported to the Council Meeting on the 22nd April, 2015 in order that a response to the consultation document can be made by the deadline of the 28th April, 2015.

With the aid of PowerPoint slides, the Director, Legal & Democratic Services provided Members with an overview of the White Paper taking each of the nine Chapters in turn and focusing on the draft response of the WLGA, which Members were of the view represented an accurate summation of the proposals.

Following consideration and a detailed discussion on each of the Chapters within the White Paper, it was **RESOLVED** – That a recommendation be

made to Council on the 22nd April, 2015 that the response of the WLGA be endorsed together with the under-mentioned additional comments:-

Chapter 1

- If the Council is to act as a `Place Shaper` with Area Boards and Community Councils having more of a role, it begs the question of what role the elected County Councillor will play.

Chapter 2

- Element of confusion in respect of Council Constitutions as the document should be based on matters of procedure and not setting out values and the ethos of the Council.

Chapter 3

- Fully supports a five year fixed term electoral cycle.
- Does not support `phased elections` as this would impact on political balances, maybe control in leadership or administration resulting in greater uncertainty for the Council and the public having `elector fatigue`.
- Reduction in Councillors will result in increased workloads for Councillors and them being further away from their residents as their electoral wards will be bigger.
- Clarification needed on term limits for Councillors as this does not represent diversity as there would be no career path for young individuals or Cabinet Members aspiring to become Leaders. Also, shouldn't the same apply to other Public Sector bodies e.g. Chancellors of Universities.
- Remuneration – if the work undertaken by Councillors was truly reflected then Members would be below the minimum wage. Also there is no evidence to show that the work of the IRP needs to be examined.
- Right of Recall – Whilst Royal Assent has recently been given for MPs, Members did not support this concept as such matters are dealt with by the Public Services Ombudsman and the Standards Committee
- Diversity – the ballot box will decide.
- Senior Officers – self contradictory
- Standards Committee – Members did not support the proposed powers for Standards Committees and questioned “where does the recall fit in with this?”

Chapters 4 and 5

- Members felt that the proposals contained in Chapters 4 and 5 were going back in time to Urban District Councils
- Community Councils – what about areas where there are no Community Council?

- In many Town/Community Councils it is very difficult to get people to stand, resulting in co-option
- Will the proposals give an opportunity for Town/Community Councils to increase their precepts?

Chapter 6

- The Council already has an independent (lay) person on the Audit Committee, who is also the Chair – this should be local choice and not prescriptive.

Chapter 7

- Members did not support the proposal for financial penalties, especially during these austere times.
- Should be mindful that not all individuals have access to or are able to use social media.

Chapter 8

- Will the same limits (term) apply to co-opted Members?
- Co-opted Members whilst welcomed on Scrutiny Committees should be a matter of local determination regarding role and voting rights.
- Optimistic on the joint `whole system assessment` in terms of capacity and resources within the Authority.

Chapter 9

- Fully supports the response of the WLGA

**R.K.Turner
Chairman**

The meeting closed at 1.35 p.m.

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