

CSC Joint Committee meeting Thursday 8 December 2016

AGENDA ITEM 3

Report of the Lead Chief Executive

Local Government Reform and implications for Central South Consortium

1. Purpose of the Report

- 1.1 The report is written to provide a brief overview of the current proposals by the Cabinet Secretary for Finance and Local Government in relation to the Local Government reform agenda, and in particular how this potentially impacts on the structure and work of this consortium.

2. Recommendations

- 2.1 That the Chair of the Joint Committee be authorised to write to the cabinet Secretary for Finance and Local Government to address the key points as included in the body of this report in so far as they relate to the position of the Central South Consortium.
- 2.2 That a copy of that letter be forwarded to the Cabinet secretary for Education
- 2.3 That a further update report be brought back to a future meeting of this Joint committee.

3. Background and historical context

- 3.1 In January 2014 the **Williams Commission** on Public Services Governance and Delivery published its report into the future of local service delivery. In terms of the restructuring of Councils the report recommended that the current 22 local authorities should merge into larger units. This would be achieved by merging existing local authorities, not redrawing boundaries from scratch. Options for creating 12, 11 or 10 local authorities were mooted, based on the principle that any mergers should be within the current Health Board footprint. A merger of the Vale of Glamorgan and Cardiff Councils was proposed as part of these arrangements, as was Merthyr and RCT Councils. Bridgend would merge with either Neath Port Talbot Council or Neath Port Talbot and Swansea to the west.
- 3.2 In July 2014 Welsh Government published a White Paper, "**Reforming Local Government**", which effectively endorsed the Williams report's recommendations on Council mergers and proposed a further reduction in the number of Councils to 8 or 9. At the same time Welsh Government issued an invitation to all Councils to submit expressions of interest in voluntary mergers with another Council.
- 3.3 In November 2014 the Vale of Glamorgan and Bridgend Councils jointly proposed such a merger. The merger proposal stressed the similarity between the Bridgend and Vale areas, in terms of population, the nature of the two areas was similar, the strong links between the population in the western Vale with Bridgend in terms of health, retailing and recreation. The submission recognised that the Bridgend/Vale

merger would straddle two Health Boards, but did not see that as posing insurmountable problems. In the event the merger submission was rejected by the Minister on the grounds that the proposal crossed a Health Board boundary.

- 3.4 Alongside the work of the Williams Commission many Councils had already come to the view that regional collaboration rather than restructuring should be the way forward. Indeed, many Councils then, and still do consider that the keynote should be flexibility and the ability to make the optimum arrangements for the delivery of services. Several examples of successful collaborations outside single Health Board footprints now exist and are flourishing, such as Prosiect Gwyrdd, the Regional working on Adoption, the Shared Regulatory Service between Cardiff, the Vale of Glamorgan and Bridgend and the Central South Education Consortium.

4. Relevant issues and Options

- 4.1 In October 2016 the new Cabinet Secretary for Finance and Local Government announced that the previous “map” of Councils had been abandoned and that there were no plans for changing the current structure of 22 Councils (other than allowing for voluntary mergers). However, inter-Council collaboration for service delivery would be put on a mandatory footing, with the Health Board boundaries forming the basic building blocks. His statement is attached as an appendix to this report.
- 4.2 Welsh Government will publish detailed proposals in the New Year, but there are a number of engagement sessions being planned with officers from local government and Lead Members during December at which there will be an opportunity to feed into the process.
- 4.3 A key issue is how the proposals are taken forward and what impact, if any, they will have on existing collaborations, especially where those collaborations have taken time to establish and are proving successful. This is particularly the case if there is to emerge a rigid application of health authority boundaries as the ‘building blocks. The Central South consortium traverses 2.5 health boundaries. This is an issue that was raised at a recent challenge session with the Cabinet Minister for Education. When the point was made that it was in nobody’s interest to ‘unpick’ the existing arrangement, that was working well and performing well. It appears that the point was accepted.
- 4.4 A key issue for the consortium is how the current plans and proposals, that are being developed at present. In his statement on 4 October, the Cabinet Secretary referred as follows:

“The approach most often advocated in my discussions over the summer was a two footprint model: one based around City Regions covering strategic transport, land-use planning and economic development; and another aligned to health boards for services such as education improvement, social services and public protection. At this point I have an open mind on the specifics of geography and function, but I am clear that these

practicalities must be consistent with the principle of mandated and systematic arrangements.”

- 4.5 Given the above context, and given the current emphasis on engagement and discussion, there is considerable merit in this consortium entering the debate. This was done to some extent at the recent challenge session as referred to above. As a consequence, it is recommended that the Chair of the Joint Committee be authorised to write to the Cabinet Secretary for Finance and Local Government requesting that the future of the Central South consortium be given due regard in on-going discussions.

- 4.6 It is recommended that the case be made for securing the future of the consortium given the time taken to establish it as a successful collaboration for school improvement, the success achieved across the region in driving standards and the fact that it's current footprint across 2.5 health boards has had no bearing on its success or otherwise. The above are all important factors that need to be taken into account and need to inform the debate moving forward. To proceed with all collaborations along strict existing health boundaries would be imposing an unnecessary straitjacket on a number of organisations and would inevitably lead to inefficiency and a failure to take advantage and build on all existing collaborations, including that of school improvement that are working effectively.

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