

Paper 3 Annex A - Updates against Terms of Reference and future recommendations

Reminder of Working Group's Core task

The Working Group's core task was to develop a shared agenda for reform which ensures the sustainability of local service provision through: appropriate structures and processes – whether collaboration, shared services or voluntary mergers – all within the framework of democratic accountability and empowered by additional functions, powers and flexibilities, the appropriate financial framework and other tools or support necessary for change.

Shaded areas are recommended for inclusion in the remit of the new Partnership Council sub group

Joint working and structures

Area	Activity underway or achieved	Recommendations
Area 1: Regional arrangements To look across existing regional arrangements and identify where there is scope to simplify and integrate activity (of authorities and partners), scope for future development, and scope to redesign services, and to establish the principles which should underpin further regional working.	<ol style="list-style-type: none"> 1. Completed a rapid review of existing partnerships and the development of a Collaboration Compendium 2. Early agreement on the need for more consistent mechanisms which provide simplified democratic control mechanisms for regional working. 3. Agreement on a framework of principles to underpin collaboration. 4. Commissioning of a more comprehensive joint review of strategic partnerships (Ongoing - WLGA/WG) 5. Agreed that the WLGA would coordinate development of a Code of Collaborative Practice to provide consistency of approach regarding good governance in collaboration. 	<ol style="list-style-type: none"> 1. That the agenda for regional working should be taken forward by a new local government sub group of the Partnership Council. (WLGA/WG) 2. That the WLGA coordinate the development of a Code of Collaborative Practice for agreement with the new sub group of Partnership Council and adoption by all local authorities by a date to be agreed. (WLGA/WG) 3. That Welsh Ministers should include provisions within the Local Government and Elections (Wales) Bill for a consistent mechanism for regional working. (WG) 4. That the WLGA and Local Government maintains the Collaborations Compendium (WLGA/LG) and:

	(Ongoing - WLGA/LG)	<ul style="list-style-type: none"> ○ Update it annually; ○ Expand it to include wider public service collaborations; ○ Report it to council cabinets, regional partnership boards and WLGA Council annually for review of existing and consideration of potential new collaborations. <p>5. That the joint review of strategic partnerships should report final recommendations to Partnership Council on 2 October, with interim findings to Partnership Council in June. Partnership Council to review partnership arrangements on a regular basis. (WLGA/WG)</p>
Area 2: Shared services To identify areas where there is an appetite and a sufficient case for shared services and the steps required to make progress.	6. LG continue to consider shared services where a business case supports WLGA/LG 7. Collaboration Compendium records current situation (see above) 8. Local Government Digital Programme has commenced	6. That local authority cabinets and regional boards receive and review the Compendium on an annual basis in order to inform considerations for any new collaborations (as above) (WLGA/LG) 7. That the Local Government Digital Programme progress with its shared contact centre pilot (LG/WLGA/WG)
Area 3: Voluntary mergers To produce a prospectus setting out the key issues which potential merging authorities could use to test	9. Working group agreed a framework for principles for voluntary mergers 10. Agreed to include provisions for voluntary mergers in the Local Government and	8. That the working group agree the draft prospectus for voluntary mergers which provides the mechanism and process for voluntary mergers going forward (Working Group) .

<p>the case for change in their context (voluntary mergers).</p>	<p>Elections (Wales) Bill</p> <p>11. Prepared a draft prospectus for voluntary mergers</p>	<p>9. That local authorities considering voluntary mergers use the prospectus as a framework to inform proposals and initiate discussions with the local government sector and the Welsh Government. (LG)</p> <p>10. That the new Partnership Council sub group should keep the prospectus under review and update when appropriate. (WLGA/WG)</p>
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Powers and flexibilities		
Area	Activity underway or achieved	Recommendations
<p>Area 4: Powers and flexibilities</p> <p>To identify specific powers, including funded powers, and flexibilities that would support local government in achieving its ambitions for communities and enable communities to achieve theirs</p>	<p>12. Discussed at September meeting and a paper to note in November. WLGA highlighted priorities for consideration for legislative change, and WG responded on each of the priorities, with clarity on which suggestions would be suitable for inclusion in the Local Government and Elections Bill; which suggestions could form the subject of further dialogue; and which were not considered suitable for inclusion in the Bill.</p>	<p>11. That the working group note the work that has been undertaken at official level to discuss suggestions for additional powers and flexibilities, that the General Power of Competence will be progressed through the Local Government and Elections Bill, and constructive discussion continues on some other point which were highlighted as priorities. (WLGA/WG)</p> <p>12. Discussion of any future proposals on financial flexibilities to be considered at Finance Sub Group. (WLGA/WG)</p>
<p>Area 5: Policy change processes</p> <p>To explore the current arrangements by which policy change is formulated, consulted on and implemented to ensure local government's voice and interests are heard and properly reflected in decisions</p>	<p>13. Discussed in September as part of Mutual Respect item but further consideration required.</p>	<p>13. See Mutual Respect and Shared Responsibility below.</p>

Active citizenship		
Area	Activity underway or achieved	Recommendations
<p>Area 6: Diversity in local government</p> <p>To advise on how much greater diversity in local government representation, and among senior officers, can be achieved.</p>	<p>14. Briefly discussed as part of discussion on the Local Government and Elections Bill content. No substantive discussion held due to cancelled meetings.</p> <p>15. Although not part of Working Group discussions, the WLGA and Welsh Government separately provided evidence to the 'Diversity in Local Government' Inquiry conducted by the Assembly's Equality, Local Government and Communities Committee and the matter has been discussed between the Minister and leaders.</p>	<p>14. It is recommended that this work now be taken forward as part of the next phase of the Diversity In Democracy programme. (WLGA/WG)</p>
<p>Area 7: Remuneration of elected members</p> <p>To consider councillors, their remuneration and role and what changes, within the same total level of remuneration, might provide for greater diversity and capacity among elected members</p>	<p>15. Discussed in September meeting and report from the IRP circulated to members</p>	<p>15. It is recommended that this now be considered as a strand of taking forward the Diversity in Democracy Programme. (WLGA/WG)</p>

Service change and the financial position		
Area	Activity underway or achieved	Recommendations
<p>Area 8: Case for investment, and engagement on finance issues</p> <p>The Working Group will focus on developing the case for investment in local government services because of the public value they generate</p>	<p>16. WLGA delivered an item at the November meeting but there was no opportunity to revisit due to cancelled meetings. There was an action to map groups which discuss finance matters and to report back to working group.</p>	<p>16. That the following be noted as the Groups where WG and LG engage on strategic finance matters:</p> <p>Political membership:</p> <ul style="list-style-type: none"> • Ministerial Bilaterals with WLGA • Partnership Council • Finance Sub Group (Partnership Council) • Tax Advisory group <p>Officer level:</p> <ul style="list-style-type: none"> • Distribution Sub Group (DGS) (distribution matters) • Capital Finance Investment Group (capital funding matters) • Society of Welsh Treasurers (SWT) (and SWT Exec) • Welsh Revenues and Benefits Group (and the 4 spin off groups on vulnerability) • LGF Reform Working Group • Analysis of Future Health & Social Care Spending - Steering Group
<p>The Working Group will not be the primary forum for exploring the financial position of local government and the case for funding; that will be the Finance Sub Group (FSG) of the Partnership Council for Wales. The Group might however consider the architecture that supports the work of the Finance Sub Group and consider how the scope of member engagement in this process can be enhanced and codifying existing mechanisms</p>	<p>17. The Minister wrote to the WLGA Leader reinforcing the role of the FSG as the key forum for discussion of strategic financial matters including her intention to engage Ministerial colleagues through this route.</p> <p>18. The Minister has also agreed that earlier and more meetings of the FSG should be held in order to allow adequate deliberation and engagement over c£4bn of public service funding.</p>	<p>17. That the Finance Sub Group be used as the forum for discussions on strategic financial matters.</p> <p>18. That Welsh Government and Local Government through the WLGA refresh and consolidate existing understandings</p>

Service change and the financial position		
Area	Activity underway or achieved	Recommendations
		into a single document agreed via the FSG covering the architecture and principles of engagement and matters such as mutual understanding of the financial and service pressures, opportunities and context, including new responsibilities and the ongoing review and, where appropriate, transfer of specific grants into the Revenue Support Grant. (WG/WLGA)

<p>Area 9: Improvement and support</p> <p>To determine what resources are required to establish new sector-led improvement and support arrangements in local government, including digital transformation, peer and self-assessment and corporate and service support</p>	<p>20. The Working Group discussed this item at its meeting in January.</p> <p>21. The Minister has committed to support the creation of a new improvement function. Progress towards this aim was discussed at a termly meeting between the Minister for Housing and Local Government and the Leader of the WLGA on 7 May where it was agreed that the WLGA will lead development of costed proposals for the improvement arrangements and grant.</p>	<p>19. That WLGA leads on the joint development of new sector-led improvement and support arrangements. (WLGA)</p> <p>20. That the new improvement and support arrangements be reported to the new sub group of Partnership Council. (WLGA)</p>
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Mutual respect and shared responsibilities		
Area	Activity underway or achieved	Recommendations
<p>Area 10: Mutual respect and shared responsibilities</p> <p>To consider how mutual respect between elected representatives at a local and national level can be developed and embedded, ensuring greater consistency and better understanding of respective roles and responsibilities</p>	<p>22. Discussed at September meeting and action to update approach outlined in paper.</p> <p>23. The Minister for Housing and Local Government has been clear that positive working relationships and ongoing engagement with local government are essential to the success of local government reform.</p>	<p>21. That a new sub group of the Partnership Council for Wales be created to continue this engagement following the conclusion of the Working Group, and that this way of working underpins the ethos and culture of that group (WG/WLGA).</p>
<p>To consider how the governance framework in Wales, including the roles and responsibilities of local government, the Welsh Government and the National Assembly for Wales could be codified and underpinned by shared principles and commitment to democratic oversight and subsidiarity, such as a Charter for Local Self-Government</p>	<p>24. Mutual respect and shared responsibilities has been an underpinning theme of discussions on all Working Group agenda items and several of the areas identified have been progressed:</p> <ul style="list-style-type: none"> • The Partnership Council has received renewed focus by the new First Minister and Minister for Housing and Local Government and has already met twice since the turn of the year; • The Minister for Housing and Local Government and/or Deputy Minister has agreed to attend each of the WLGA's Executive Board or Council meetings (where diaries permit); • The forthcoming Local Government (Wales) Bill will introduce a more flexible governance and performance regime based on self-improvement, underpinned by sector-led improvement support, which the Minister has agreed to provide funding to through the WLGA. 	<p>22. That Welsh Government and local government build on existing structures and relationships, embedding these common values throughout our working together, improving the engagement with the First Minister, Cabinet and individual portfolio Ministers. (WG/WLGA).</p> <p>23. That an annual meeting be held between the First Minister and WLGA and an annual Cabinet meeting with WLGA leaders (WG/WLGA).</p> <p>24. That there is a commitment to a formal meeting at least once a year to discuss strategic matters with individual Ministers (WG/WLGA).</p> <p>25. That the Partnership Agreement be expanded to deal with these matters at its next review. (WG/WLGA).</p>

Mutual respect and shared responsibilities		
Area	Activity underway or achieved	Recommendations
	25. The Welsh Government's Local Government Partnership Scheme is reviewed and reported on annually.	