

LOCAL GOVERNMENT VIEWS ON CABINET SECRETARY'S PROPOSALS FOR LOCAL GOVERNMENT REFORM

December 2016

Background

1. The Cabinet Secretary for Finance and Local Government Mark Drakeford AM announced proposals for local government reform in the Assembly on 4th October 2016 based on the concept of retaining the 22 local authorities as the 'front-door' to a range of services, some of which might be regionally delivered on an LHB or a 'city region' footprint.
2. The Welsh Government has since sought to engage with wider local government to consider how the Cabinet Secretary's reform proposals could be further shaped and delivered. Welsh Government officials have met with various professional groups and the Cabinet Secretary has met with the 22 Coordinating Committee on 25th November, through individual meetings with leaders and chief executives and through regional board meetings.
3. The Welsh Government has also convened and concluded three regional senior officer engagement events and the WLGA, following WLGA Council agreement, has organised three regional member engagement events (12th, 16th and 19th December).
4. During discussions with Coordinating Committee the Cabinet Secretary confirmed that he would not expect a 'big bang' approach to local government reform, with reform being introduced over a five to ten-year period and he also confirmed that he did not intend for successful collaborations (which crossed the two proposed footprints) to be dismantled in the short-term.
5. The timescale for reform and, in particular, the phased implementation of collaborations is a welcome approach. Whilst the Cabinet Secretary's commitment that given the significant amount of sunk investment in the current collaborations they would not be dismantled in the short-term, it could be that such collaborative models could be reviewed periodically to examine the cost/benefits of dismantling and aligning with the two-footprint model or maintaining the status quo.
6. The WLGA has broadly welcomed the reform proposals, particularly as it seeks to build on the collaborative models already established by local government and, in turn, seeks to redefine and strengthen local democracy, ensuring that there remain '22 front-doors' to regional and local services.

7. The WLGA has also welcomed the Cabinet Secretary's approach to consensus building, dialogue and engagement with local government.
8. The Cabinet Secretary has outlined a number of themes underpinning his reform programme, but has highlighted two in particular, Resilience and Renewal:
 - **Resilience** in local government both in terms of service delivery and finances; and
 - **Renewal** in terms of a new constructive and mature relationship between Welsh Government and local government and also the renewal of relations between local government and local communities.
9. In order to inform his final proposals in the New Year, the Cabinet Secretary posed the following five questions during the WLGA Coordinating Committee, which have also formed the basis of discussions at the officer and member regional engagement events:
 - What should be the regions?
 - What should be the functions?
 - What should be the governance?
 - How should the funding flow?
 - How should the accountability/scrutiny arrangements work?
- 10. Given the high-level nature of the local government reform proposals it is possible only to provide commentary, initial views and in principle support based on local government's own experiences of successful and unsuccessful collaborative initiatives.**
- 11. The commentary below is not binding and is provided with a view to help shape the Cabinet Secretary's final local government reform proposals. A firm WLGA commitment and position cannot be provided until fuller discussions had been undertaken through the 22 authorities and via WLGA Council following the publication of the final proposals in a White Paper in the New Year.**
12. The commentary below summarizes members' views from the WLGA Management and Audit Sub-Committee meeting on 15th December 2016 as well as the discussions and feedback from regional engagement events with local authority members and officers and discussions and/or proposals emerging from regional boards (see Annexes).
13. A detailed summary note of the WLGA-facilitated regional member engagement events will also be submitted separately to inform the Cabinet Secretary's preparations of a White Paper.

14. The paper is also informed by the WLGA Labour Group paper on local government reform (discussed at Coordinating Committee on 30th September¹) and the positions set out in the WLGA's recent Manifesto "Localism 2016-21 – A Plan for Public Services in Wales"².

15. Although there has been general support for the Cabinet Secretary's proposed regional footprints, common themes have emerged from regional events (in particular from elected members) that regionalized service commissioning and management needs to be balanced by strong local accountability and local democracy. In particular:

- **Funding should continue to be distributed to the 22 local authorities** via the RSG, who would then agree the budgets and funding of any regional services'
- **Statutory duties should remain with the 22 local authorities**, who would then determine how such duties would be discharged, either jointly or via another lead authority; and
- **Local accountability through local councillors' oversight and scrutiny is essential** in holding regional services to account and ensuring that the needs of local communities are being met and outcomes are being delivered.

16. The Cabinet Secretary's commitment to maintaining local accountability, outlined in his message to the member engagement events, is therefore particularly welcome:

"I am clear that democratic accountability is non-negotiable, and critical to making any new arrangements work. Indeed, I see these proposals as an opportunity to strengthen the role of elected members in decision-making at a regional level where, sometimes at present, there may be largely officer led arrangements in place...Equally important is the need to ensure that we enable effective, timely and influential scrutiny by elected members."

17. In seeking to address the Cabinet Secretary's questions, in particular 'What should be the regions and which services?', member and officer engagement events considered whether the 'Local, Regional, National: What services are best delivered where?'³ report produced by Joe Simpson in March 2011 could be revisited.

18. Although local government has moved on in the six years since Simpson undertook his review, and many collaborations have been established and, given

¹ See Page 23: <http://www.wlga.gov.uk/download.php?id=6300&l=1>

² <http://www.wlga.gov.uk/local-government-policy-priorities-for-the-national-assembly-for-wales>

³ <http://gov.wales/docs/dsjlg/publications/localgov/110325Inrservicesv2en.pdf>

austerity, many of the potential savings outlined have already been stripped out of services, much of Simpson's analysis may remain relevant.

19. 'Form should follow function' was a regularly repeated phrase during engagement events and that a framework of principles should guide the reform programme and underpin any transition towards collaborative models of service delivery. Simpson set out a framework of principles that could be revisited and revised to ensure relevance for the current reform programme:

- Principle 1: The outcome must be better for the citizen and user
- Principle 2: Focus on functions not whole services
- Principle 3: It is about better collaboration not just hard geography
- Principle 4: Collaboration can take many forms
- Principle 5: Local accountability and freedoms must be enhanced and not diminished through the process
- Principle 6: We have to ask the right questions
- Principle 7: Leadership to deliver the change
- Principle 8: Engaging staff is critical
- Principle 9: Creating a Compact with consequences
- Principle 10: Supporting the change to deliver the change

What should be the Regions?

20. Although not unanimous, there has been broad support from local government regarding the Cabinet Secretary's proposals for two distinct geographies as the foundation for local government reform based on Local Health Boards and city regions.
21. Whilst there are clear service integration benefits of aligning certain services such as health and social care on the same footprints, it is logical to work on the principle of larger spatial areas when it comes to economic development, transport and regeneration. The establishment in South East Wales of a new Regional Transport Authority is being taken forward alongside a review of strategic land use planning. The Planning Act provides for strategic planning in other parts of Wales, with South West Wales and 'the A55 corridor' specifically mentioned. In South West and North Wales - and also in Mid Wales - active consideration is being given to re-establishment of regional level transport planning as an integral part of regional economic development plans.
22. Whilst health, social care and education boundaries may be prescribed by government, the economy and markets operate in a different way and are in the

main independent of government. Economic activity is driven by a different set of dynamics and role of government is often to facilitate, to enable and to support rather than to prescribe. This is recognised and is accommodated by what is proposed.

23. For example, this approach allows an authority such as Bridgend to locate itself within the Abertawe Bro Morgannwg/Western Bay remit for health, social care and other services but take a wider M4/South East Wales related view in relation to economic activity and education improvement. In South West and Mid Wales the successful ERW consortia does cut across the boundaries of the Swansea Bay City Region and the Growing Mid Wales Partnership. However as ERW operates through three regional hubs formalizing relationships with the regional strategic frameworks is possible.
24. Over the recent period there has been an impressive acceleration of collaborative regional partnerships within Wales. Some of this has built on the WLGA regional boards while others have been linked to the city region agenda. All these arrangements have their own unique regional features and evolved as locally and collectively agreed responses to deliver particular common priorities or address common needs.
25. There is also scope, as is the case in North Wales and Mid and West Wales (see Annexes), for sub-regional units of collaboration that may be appropriate and relevant which are set within the two footprint model. This is particularly relevant where other public sector partners also adopt sub-regional units of planning or delivery, such as LHB localities and GP clusters or the Police Basic Command Units.
26. It should be noted however that many of the established and successful collaborations currently do not consistently follow the proposed two footprints. It is therefore welcome that the Cabinet Secretary has confirmed that he would not expect the immediate dismantling of existing successful collaborations that did not fit the proposed two foot-print model, at least in the short-term.
27. It was widely recognized that there is a significant amount of sunk investment in the current collaborations, notably financial and officer resources, which could be lost if successful collaborative models were broken up and realigned. It could be that such collaborative models could be reviewed periodically to examine the cost/benefits of dismantling and aligning with the two-footprint model or maintaining the status quo.
28. Feedback has suggested that existing local authority collaborations should be mapped out to provide a full picture of the range of collaborations currently in operation as well as to assess the implications of overlaying any new mandated geographical footprints. For example, a 2015 Report to a joint scrutiny committee meeting in Torfaen County Borough Council identified 86 separate collaborations involving the authority, 7 of which were deemed significant

enough to warrant ongoing corporate monitoring and tested using the Council's agreed "Collaboration Framework"⁴.

What should be the functions?

29. The Welsh Government high-level proposals outline the following:

- City regions - covering strategic transport, land-use planning and economic development; and
- Local health board footprint - for services such as education improvement, social services and public protection

30. Although there is not unanimous support, there has been broad support from leaders regarding these initial proposals, which also chime with proposals outlined within the WLGA Labour Group paper.

31. Discussions during regional engagement events have highlighted the following further services as potentially deliverable on a regional footprint (or are already being delivered collaboratively within some regions), but all would require a clear business case with cost/benefit analysis and political agreement prior to reform:

- Waste (some strategic elements, but not local delivery)
- Telecare and commissioning of domiciliary care
- Corporate support services, such as HR, legal services, translation
- Emergency Planning
- Regulatory
- Parking
- ICT and Digitalisation of Services (e.g. Revs and Bens)
- Learning and Skills
- Minerals Planning
- Whilst strategic planning function could move to a larger footprint, local development control needs to remain local.

32. Although 'social services' has been generically described as being an option for regionalisation on the LHB footprints, it is not clear whether the proposal would be for the entirety of the service to regionalise or specific social services functions, building on some of the regional arrangements already in place. It is appropriate that some social services remain local, while others could feasibly be delivered on a wider geography, as has been the case with the establishment of the national adoption service.

33. There has been some discussion about the scale of Public Service Boards (PSBs) and the WLGA Labour Group Paper explored the potential to merge PSBs on the

⁴ <http://modern.gov.torfaen.gov.uk/documents/s6508/FINAL%20-%20collaboration%20update%20report%20-%20Final%20for%20despatch.pdf>

LHB footprints so they could fulfil the remit of the (Part 9) Regional Partnership Boards for social services. There is merit in exploring mergers (PSBs already have powers to collaborate or merge if they wish), and some PSBs have already either merged or integrated, a balance needs to be struck between placing PSBs on a strategic footprint which may address alignment and a reduced administrative burden on larger partners (such as LHBs, police and fire and rescue services) but ensuring a local enough footprint to ensure community relevance of wellbeing plans and collective priorities.

34. Similarly, local government's community leadership role (set out in the Local Government Act 2000) should remain a key feature of local partnership working through PSBs; it is therefore important that the relevant sections of the Wellbeing of Future Generations (Wales) Act 2015 should be revisited to ensure that a local authority leader should chair the PSB. This would go some way in addressing the wider concerns of many elected members about the perceived democratic deficit of PSBs.

What should be the governance arrangements?

35. There are a range of governance options that may be applicable for collaborative services, some of which are features in Welsh local government currently. These include:

- An informal network
- A Shared Appointment
- A Contractual Arrangement
- Delegation of Functions
 - Lead Authorities
 - Joint Committees (under the Local Government Act 1972)
 - Joint Executive Committees (under the Local Government Act 2000)
- A Special Purpose Vehicle
- A Joint Venture
- Combined Authority

36. The legal aspects of many of the above are considered further in the WLGA commissioned 'Legal Guidance for Collaboration' produced by Trowers and Hamlin⁵ in 2012.

37. Joint committees (under the powers of the 1972 Act) are currently the most common form of formal governance arrangements in existing regional collaborations, for example, most of the Education improvement consortia follow

⁵ <http://www.wlga.gov.uk/wlga-regional-boards-publications/wlga-legal-guidance-for-collaboration>

this model. In legal terms there are some issues relating to the Joint Committee model which need consideration:

- A joint committee does not have a legal personality. It cannot enter into contracts for procurement or employment. It cannot receive grants from Welsh Government or Westminster. It must nominate a lead authority to act on its behalf.
- Any one authority can leave the joint committee at any time.

38. This is an issue for the future but it would be a missed opportunity should any local government reform bill not include the power to provide for Combined Authorities in Wales. The WLGA consulted on these vehicles and 2014 but did not achieve consensus, although a number of authorities were supportive in principle. Thus the Welsh Government may wish to hold a power in reserve to create combined authorities following an evaluation of the joint committee model or to respond to differential regional approaches.

39. Governance and accountability will be fundamental in ensuring the success or otherwise of any regional local government reforms and this is clearly recognised by the Cabinet Secretary. It is therefore a key risk to the project as regional delivered services without adequate governance arrangements will lead to the diminution of local accountability and democracy, reduced opportunities for co-production and public engagement and an undermining of political and public trust.

40. Furthermore, whilst governance arrangements should be proportionate and appropriate to the service being delivered and therefore 'one-size-doesn't fit all', conversely, a multiplicity of different governance arrangements involving the same local authorities but operating on different footprints could lead to administrative burden, complexity and confused accountabilities. This will require a delicate balancing act as the risk is that a decade on from Beecham and three years on from Williams, Wales could become an increasingly complex patchwork of statutory partnerships and delivery vehicles.

41. There are also governance issues relating to the role of statutory officers, and whether they have separate or joint duties to both their local authority and the regional organisation or corporate body which could lead to potential conflicts of interest. There may be particular issues that could affect the role of the S151 officers that will need to be considered and addressed.

How should the funding flow?

42. Funding has a direct impact on accountability; the preference and presumption therefore should be that RSG funding should continue to be distributed to local authorities. Local government would then decide on priorities, business plans and budgets for any regional collaborative services.

43. The WLGA maintains its position that specific grants should be transferred to the RSG, but acknowledges that in some circumstances top slicing the funding from RSG or aggregating specific grants for particular regional services may be appropriate, however, this should always be subject to detailed discussion and agreement with the WLGA. Aggregating grants to a regional level may be less problematic than removing funding from the settlement. Where current spend is poorly aligned to the formula, top slicing can have profound financial implications.
44. Direct funding of regional services by the Welsh Government could potentially compound already complex regional-local accountabilities. Stronger regional-central accountabilities have potential to cause tensions and undermine the wider intended purposes of the reform programme to strengthen local democracy.
45. A regional approach based on a combined authority model raises questions about fiscal devolution. How much a new body could raise its own income is an issue currently being explored in the English devolution debate.

How should the accountability/scrutiny arrangements work?

46. Whichever governance arrangements (as above) are adopted for regional services, local accountability and scrutiny arrangements should be 'designed in' at the planning stage of any reform.
47. Local oversight and scrutiny from non-executive members will be critical in ensuring local government and local services remain relevant to and rooted in Wales' communities. The Cabinet Secretary firmly recognises this with his commitment to the continued but 'renewed' role of the 22 councils as the 'front-doors' to regionalised services.
48. Although the regionalisation of certain services may lead to pooling and sharing specialisms or creating economies of scale and greater resilience, the premise should be that services should be 'regionally planned and managed, but locally delivered' wherever possible. Locally elected members therefore have a key role in ensuring that local delivery meets local needs and delivers on local outcomes.
49. There is often an assumption that regional services require regional scrutiny often mirroring any regional managerial or executive governance architecture. Whilst some form of joint, regional scrutiny is appropriate to examine strategic matters, local scrutiny of the delivery, funding and performance of regional services is essential to maintain robust accountability and ensure delivery to meet local community needs.
50. Scrutiny has to be undertaken locally to complement the accountability framework the Cabinet Secretary has set out; the concept of "22 Front Doors" for the public can only work if accountability and scrutiny is rooted at this point and linked in and to local communities.

Other Issues

51. A common theme from engagement sessions was that collaboration was only one 'tool' in the public service reform 'toolkit' and that focus solely on collaboration could mean other opportunities for reform are missed or could compound ineffective public services i.e. merging two ineffective services would merely create one larger ineffective service. Service redesign and transformation, through co-production, is essential to ensure any new, larger combined services remain relevant and fit-for-purpose.
52. Similarly, there is the potential for reform of services through use of digital and ICT should feature as a key enabler or, indeed, as an alternative to structural reforms.
53. Although regional collaborative reform has been led and delivered by Welsh local government during the past decade, the complexity and scale of the 'mandated and systematic' Welsh Government proposed reforms are significant. In particular, there will be specific challenges regarding the wholesale harmonisation of a large number of employees' terms and conditions.
54. The Welsh Government can therefore play a crucial role in enabling and supporting collaboration, a role which needs to be balanced against any directive or prescriptive approach. The lessons of successful and unsuccessful collaborations need to be learned; success has been built on foundations of clear shared objectives and outcomes and has been delivered through constructive relationships based on mutual trust. There is a risk therefore that 'mandating' unwilling partners may hinder the progress for proactive partners; it may therefore be more productive to allow willing partners to forge ahead with collaborations and encourage those previously unwilling partners to engage at a later stage once 'proof of concept' has been shown.
55. A common theme from the regional sessions was that local government reform should not be undertaken in isolation and should be part of a wider public service reform. This point was echoed by public service partners who participated in the officer engagement events. Although discussions stopped short of structural reform of the wider public services, it was suggested that the early experiences of Public Service Boards were more positive and more effective than the predecessor Local Service Boards, but greater alignment and streamlining of planning and performance regimes across the sectors would be welcome.

ANNEX 1

North Wales Regional Leadership Board Leading Public Services
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Local Government Reform: North Wales will build on the success of current structures

North Wales Councils and its partners on the North Wales Regional Leadership Board (the North Wales Police, the Betsi Cadwaladr University Health Board and the North Wales Fire and Rescue Service) welcome: -

- The emphasis on retaining the 22 local authorities as the “front door” to access local services.
- The conciliatory and personal style in which the Minister has conducted meetings with local authorities

The Members of the North Wales Regional Leadership Board will: -

- Work with the Cabinet Secretary to establish a new way forward for local government in North Wales and develop more resilient local authorities.
- Build on the successful regional working which we have developed over the last 4 to five years.
- Work across local authority and sectoral boundaries to identify best practice and effective collaboration which can be rolled out at pace to the benefits of the communities of North Wales.

North Wales is a region with a strong sense of identity and a good record of partnership working at a regional level.

The Region voluntarily established a Cross Sector Leadership Board comprising of Local Government, Police, Fire and Health. The Regional Leadership Board works with: -

- A Safer Communities Board which works on crime reduction, reducing substance abuse and developing responses to new patterns of crime such as Domestic Violence, Cyber Crime, Child Sexual Exploitation and Modern Slavery.
- The GWE Joint Committee which is seeking to help local authorities improve educational attainment
- The Part 9 Regional Partnership Board (Social Care and Well Being Act 2014) which is working on implementing the provisions of the Act with regard to integration of social care and health services and the creation of pooled budgets.
- The North Wales Economic Ambition Board, which has delivered the functions of the Regional Learning and Skills Partnership, campaigned for investment in the infrastructure of North Wales and developed a Growth Vision working in partnership with HE, FE and the Private Sector.
- The North Wales Residual Waste Disposal Joint Committee, which is delivering improvements in waste disposal and recycling

Our regional bodies have enabled us to work together both as six councils and as six councils working in partnership with regionally organised public service partners (Police, Fire and Health) to share and discuss best practice in service delivery. This joint working has contributed to more effective partnership working, programmes of

efficiency and shared services where appropriate and supporting resilience. (Examples – Emergency Planning, Legal Services (Conwy to Anglesey), Joint LDP process (Anglesey and Gwynedd), NW Wales EDT (Wrexham, Flintshire and Denbighshire). There are many more.

Future Generations Act – A Developing Footprint for Partnership Working in North Wales

The Region is also working to support the implementation of the Future Generations Act by developing links between the Regional Leadership Board and Public Service Boards.

There are four PSBs in North Wales, Wrexham, Flintshire and two combined PSBs: Gwynedd and Anglesey and Conwy and Denbighshire.

The Partners wish to experiment with developing relationships for joint working at the PSB, with two joint PSBs covering 4 Local Authorities.

North Wales has a single regional footprint allied to good sub-regional co-terminosity

North Wales has same regional footprint for Health and Social Care, Education, the Economy and Policing.

The BCUHB has developed an Area Director Structure which enables the Health Board to work more closely with local authorities on a sub-regional basis. This provides a platform for closer partnership working in the future.

Police and Health have sub-regional arrangements (area and divisional) based on East (Wrexham and Flintshire), Central Conwy and Denbighshire) and West (Gwynedd and Anglesey), that link well with the four PSBs.

The Local Authorities are considering organising shared services at a sub-regional level. For example, in Education, where local authority capacity is stretched there will be an opportunity to consider sharing resources on the same footprint as GWE's sub-regional hubs (East, Central and West).

The advantages of this approach are that: -

- Relationships that enable partnership working are easier to build on a sub-regional level
- Successful sub-regional collaboration will be easier to roll out at pace across the region.

The Challenge of Scale and Diversity

The challenge for North Wales is not one of different regional configurations for different service blocks but rather one of scale and the diversity of the communities across the region, with deep rurality and a fundamentally Welsh culture and way of life in the Western and Southern parts of the region, contrasting with urban and suburban areas along the coast and in the North East. The North Eastern communities have close cultural and economic links with the neighbouring areas of Cheshire, Shropshire and Merseyside.

Principles

A regional system for North Wales that builds greater resilience into local government must also be able to work with local accountability, recognise and embrace the wide diversity in the region and accommodate local and sub-regional delivery of services.

The North Wales Councils and their partners are keen to work together regionally in the established regional structure on issues that are jointly agreed with the Cabinet Secretary as best responded to and led regionally.

The Councils wish to be able to determine what is best dealt with at what level. Ministers should give direction with regard to outcomes and give flexibility to Councils on how to deliver those outcomes and encourage councils to seek and discuss the support they need to deliver agreed outcomes.

We therefore urge the Minister to allow Councils to have the flexibility to determine how to deliver and organise regional approaches to service delivery that take account of local circumstances. This is an approach that will respect the diversity of the region, potentially utilising sub-regional and local solutions within a regional framework.

The Regional Architecture should not only enable top down proposals from the Leadership Board but also enable "bottom up" proposals and promotion of best practice for partnership working. We envisage that PSBs and sub-regional arrangements will enable greater engagement of front-line staff in partnership and collaborative working, thus engendering greater ownership of any proposed collaborations.

Local Authorities will remain sovereign and hold their statutory responsibilities. Regional Boards will commission on their behalf where it is judged advantageous for the citizen for councils to organise services on a joint regional or sub-regional basis

Next Steps

North Wales will strengthen and develop its existing regional "leadership" institutions.

The NW Regional Leadership Board could be constituted as a Joint Committee commissioning services and addressing challenges/issues referred to it by: -

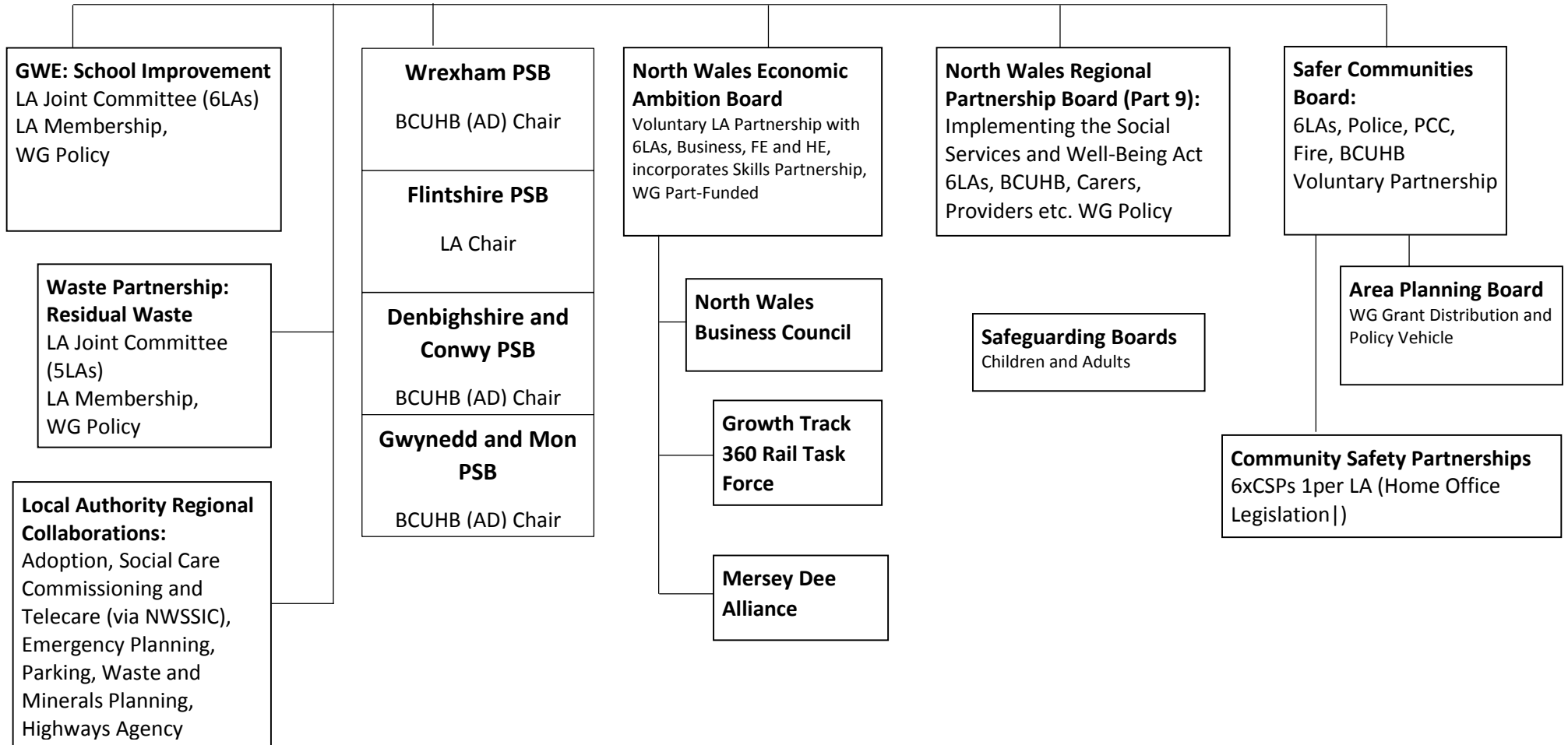
- GWE

- The Part 9 Board
- The NW Economic Ambition Board
- The Safer Communities Board
- The four PSBs (Flintshire, Wrexham, Conwy-Denbighshire and Gwynedd-Anglesey)
- The Residual Waste Joint Committee with regard to Waste and recycling issues

The region could: -

- Develop formal reporting from regional boards up the NWRLB
- Address the challenge of building greater resilience of public services by engaging with front line practitioners in local and PSB settings, to ensure that policy development and delivery of services are grounded in evidence, local knowledge and local needs
- Develop collaborative solutions to promote greater efficiency in service delivery where such approaches add value and improve the experience of the citizen
- Produce a list of services suitable for pilot projects for regional collaboration and partnership working
- Develop a cross sector, regional strategy for digitization of services and harmonization of ICT systems over time
- Continue to develop support for and work with Town and Community Councils to enable them to take a greater role in the management and delivery of local services
- Respond to Welsh Government Policy for regional partnership working and regional distribution of grant through the relevant regional board e.g. the Part 9 Board and the distribution of ICF.
- Work with the Welsh and UK Governments to develop regional and cross border approaches to economic development, transport, business support and strategic planning through the regional footprint established by the North Wales Economic Ambition Board and its cross border partners.

North Wales Regional Leadership Board



Notes

North Wales Regional Leadership Board

This is voluntary Partnership bringing together the 6 councils, Police, Fire and Health in North Wales.

It seeks to share challenges, best practice and enable closer cross sector working to improve services.

Meeting as a Local Authority Board, it supervises and leads local authority partnerships.

GWE

GWE is a school improvement organisation overseen by a LA joint committee.

It is a product of Welsh Government Policy and receives ring-fenced funding.

The role of GWE will grow over time.

Local Authorities are strengthening links between local authority Education Departments and GWE by working through three sub-regional hubs, East, Central and West.

Residual Waste Partnership

This is governed by a Joint Committee of 5 LAs. It is procuring the Parc Adfer facility from Wheelabrator which will dispose of residual waste which cannot be recycled. The development is enabling an increase in recycling and a reduction in Landfill.

North Wales Economic Ambition Board

This is a partnership which is promoting economic growth in North Wales. It is a LA collaboration with business, HE/FE and WG support. Funding is roughly 50/50 LA and WG. The Board incorporates a Skills Partnership which is WG funded and directed. It links with the Mersey Dee Alliance and a network of economic bodies.

North Wales Regional Partnership Board (Part 9)

This is established by WG legislation to deliver integration of health and social care services and supporting pooled budgets. The WG will also channel an increasing volume of specific grant (like ICF) through this Board. The BCUHB has configured its area structure to work on health and social care integration on a three hub basis – East, Central and West.

Safer Communities Board

This Board is a collaboration of LAs, Police, Probation and Health. It incorporates the Area Planning Board. It seeks to influence the Community Safety Partnerships and aligning LA work with Police priorities and evidence of crimes. It is addressing multi-agency challenges like DV, CSE and substance abuse. It seeks to promote regional commissioning to improve efficiency.

Safer Communities also includes links to other regional bodies: -

- ☐ PREVENT and CONTEST Counter Terrorism Initiatives with a legislative basis.

- Local Resilience Forum Established to enable effective responses to emergencies of all kinds
- Police and Crime Panel Legislative requirement to hold the PCC to account.

Safeguarding Boards

There is a legislative requirement to have regional Children's' and Adults Safeguarding Boards in the SS&WB Act 2014

Public Service Boards

These bodies are working to fulfil the requirements of the Future Generations Act. A number of local authorities are positioning their PSBs to be the main forum for partnership working locally.

ANNEX 2

Central & South West Wales Regional Forum

Local Government Reform

Short discussion paper for Regional Forum Meeting 16th December 2016

Following the Cabinet Secretary's discussion with local authorities over the summer and his subsequent statement in the Autumn, it is perhaps opportune for the region to begin to form a view on how we might wish to structure ourselves to deal with those services that the Cabinet Secretary has indicated will be delivered at a regional level in future.

The Cabinet Secretary, Mark Drakeford, has made it clear that he wishes to see economic development, strategic planning and highways, education improvement, some social care and public protection all delivered through regional structures. The preferred model would seem to be Joint Committees, rather than a regional Council or other alternative.

Existing Structures

Economic Development

This is primarily delivered by individual councils although the Swansea Bay City Region Board (a Ministerial Board) has been meeting for some time. This covers 4 councils; Carmarthenshire, Pembrokeshire, Neath Port Talbot, and Swansea. The Board comes to an end on 31 March 2017. SBCR have bid for a city deal and a Joint Committee is proposed if that is successful.

Growing Mid Wales is a partnership between Ceredigion and Powys Councils and there has already been ministerial involvement and launch.

Bridgend is part of the Cardiff City Deal region and a shadow Joint Committee is in place.

Education Improvement

This is delivered to the 6 councils by ERW, which is a Joint Committee.

Bridgend is part of the Central South Education Consortium.

Social Services (and Community Health)

Social Services is delivered by councils, but there are s33 agreements in place with some councils to deliver joined up services. There are also partnerships in place at LHB level to commission some services. The partnership which formerly included Powys and the 3 councils in Hywel Dda was broken up earlier in the year at the insistence of Welsh Government. There are now 3 separate partnerships covering the distinct LHBs, namely :

1. Ceredigion, Carmarthenshire and Pembrokeshire
2. Powys
3. Mid Wales Collaborative – Ceredigion, Powys and Meirionnydd.

Public Protection

Collaboration and mutual aid agreements between councils have been ongoing for some time. The Carmarthenshire, Ceredigion and Pembrokeshire Councils collaborate. Bridgend is part of a collaboration with the Vale and Cardiff councils. Swansea and NPT collaborate. There is however no formal structure.

The Future

Economic Development

It would seem certain that regional working will be through Joint Committees, as follows:-

- Swansea Bay City Deal
- Growing Mid Wales
- Cardiff City Deal

It would therefore seem sensible to accept this configuration and begin planning accordingly. For example, the Regional Learning Strategic Partnership that at present covers Swansea Bay and Growing Mid Wales should be broken up into separate bodies to serve respective economic areas.

It would also seem sensible to fold strategic highways/transport and strategic planning into these Joint Committees at some time in the future.

Education Improvement

Given that the Education Consortia already exist and on the whole seem to be driving education improvement in the right direction, there would appear to be no need to create something new. The Cabinet Secretary has recently completed a 'Challenge and Review' set of meetings with consortia. Those Leaders/Chief Executives who attended these meetings may wish to share feedback with the Forum. It would appear that the

Cabinet Secretary was impressed with ERW and said as much in the meeting. Those attending were left with the view that she saw no need to dismantle this structure.

Social Care

This area is perhaps less clear than others, but certainly there appears to be a drive from the Cabinet Secretary to use the existing LHB footprint to put new structures in place. If this were the case, then Hywel Dda, Powys and ABMU would be the basis for new Joint Committees. If there is to be democratic control then that could entail directly elected Health Boards.

If this were to be agreed, then councils may wish to make a case for public health and perhaps community health to also be folded into these new bodies. This would perhaps provide a new and dynamic set of regional bodies to promote and protect community based services, something which everyone appears to agree would be a good thing, but has proved elusive to date. A jointly appointed Director of Public Health reporting to a Joint Committee might be considered a good development to pursue for example.

Mid Wales Health and Social Care Collaborative

We would argue for the retention of the Mid Wales Health and Social Care Collaborative in order to ensure focus on the health needs of rural mid Wales. This collaborative includes Gwynedd, Powys and Ceredigion and their respective LHBs.

There are other questions which members may wish to consider such as whether Powys wishes to be on its own with its Health Board. Similarly, Bridgend has previously mooted the question of which LHB area it ought to be in?

Whatever the ultimate footprint, it would seem sensible that public protection be folded into those Joint Committees.

Conclusion

It is suggested that the 7 Councils that make up the Regional Forum discuss their preferred model. If agreement can be reached, it is possible, indeed probable that the Cabinet Secretary may agree with our views. It is also likely that if our region can come to an agreed position, that this may well form the basis of the footprint and model across Wales. Informal soundings with WG indicate that they would welcome a proposal from us.

Whatever is discussed by the Forum cannot be binding on any constituent council. Further dialogue and agreement would need to be sought with WG and any putative agreement brought back to the Forum and constituent councils.

Recommendations

It is suggested that members consider the possible models and configuration set out in this discussion paper and see whether an agreed position, in principle, can be reached.

Any broad/in principle agreement would not in any way bind any constituent council but may form the basis of useful dialogue with the Cabinet Secretary and his officials.

Members may even wish to consider a favoured alternative, with fall back positions if that is not agreed by WG.

Mark James CBE
Chief Executive
Carmarthenshire County Council

December 2016

ANNEX 3

South East Wales

Local Government Reform – discussion paper for the Shadow Joint Cabinet

The Region has taken a number of significant steps towards regional and sub-regional collaboration over the past 12 months and is well placed to inform the future delivery of local government services in the future.

South East Region delivery structures

City Deal

The 10 councils have committed to a £1.229bn City Deal Heads of Terms and the necessary governance and assurance frameworks are being finalised before each council will consider committing to:

- the funding of the City Deal; and
- the shared planning and delivery of the strategic functions associated with land use, transportation, economic development and business support.

A Shadow City Deal Joint Cabinet of Council Leaders has already been in operation for the year and a Shadow Regional Transport Authority has met on two occasions with a particular focus on the “co-design” of the Metro. The Regional Transport Authority has also agreed to pilot a regional approach to managing Concessionary Fares. In the future other opportunities to simplify and improve the planning and delivery of transportation functions will be considered.

Bridgend is firmly embedded in the Cardiff Capital Region but under the health boundaries would be included within the Swansea Bay City Region.

Sub-regional delivery structures

Education Improvement

This is delivered to the 5 Gwent councils by the Education Advisory Services (EAS), which is a separate company limited by guarantee. The EAS provides services within the prescribed local health board boundary.

The Central South Consortium, a Joint Committee, of the 5 councils of Bridgend, Cardiff, Merthyr, RCT and the Vale of Glamorgan, provides a similar service.

Both education improvement services have proved to be successful. If the education improvement service in Central South was to be delivered on the LHB boundaries, it would split the service into 3, with Bridgend being part of the ERW arrangement. This would create diseconomies of scale and have a significant adverse impact on educational attainment.

Social Services

Similar to other regions, Social Services are delivered by councils, but there are s33 agreements in place with some councils to deliver joined up services. There are also partnerships in place at LHB level to commission some services.

Public Protection

The councils of Bridgend, Cardiff and the Vale of Glamorgan provide statutory regulatory services in collaboration, which has proved to be successful at a reduced cost. This is a good example of collaboration that provides an opportunity to further expand this service to allow other councils to join this arrangement if both parties agree.

The Future

Economic Development, Strategic Land-use, Transportation and Business Support

There is a commitment of the 10 Leaders to adopt a Capital Region approach to the delivery of these functions via the Joint Committee of Leaders.

Education Improvement

Given that the Education Consortia already exist and are making good progress in delivering education improvement, there would appear to be little appetite to do something different in Central South.

The Cabinet Secretary has recently completed a 'Challenge and Review' set of meetings with both consortia and the feedback has been generally positive. The consortia need to embed the educational policy changes already agreed and these would be little or no benefit from further structural change.

Social Care

Within the Region this creates relatively simple structures of two examples of two councils working with one LHB (Cardiff and the Vale of Glamorgan; and Merthyr and RCT in Cwm Taf), and complex structures in Gwent of 5 councils working across the area, and Bridgend focusing west and working with Swansea and NPT as part of ABMU.

Social Care could be delivered on a LHB footprint, but the greatest benefit will accrue from taking the opportunity to reconfigure social care with primary health care with integrated professional teams working across a LHB footprint providing consistent and joined up services. Just bringing together local government services could be considered to be a lost opportunity.

The opportunity also exists to plan and provide on a regional basis child focused services in specialisms that have traditionally been under-resourced and/or ineffective such as CAHMS that could include key education services such as education psychology, behaviour support and learning support services.

In England, all public health services are delivered by local authorities. Is this effective and should this be an opportunity we explore as part of the reconfiguration of health and social care services?.

Corporate Functions

The NHS in Wales Shared Services provides payroll, procurement, creditor payments, internal audit and other shared back room functions on an all Wales basis. To facilitate this, each LHB operates the same accounting system across Wales. This clearly has significant economic and practical benefits.

The 8 local authority pension funds are currently combining the management of their investment funds in accordance with the requirements of UK Government. If Welsh Government were minded they could do something similar for many of the transactional services local government manages such as NNDR, benefits, council tax, payroll, procurement, pension fund administration etc. Alternatively, this could be delivered on a sub-regional basis.

Many councils have put off investing in new ICT systems due to the proposed council reorganisation. Now that the 22 councils remain, do we take this opportunity to adopt the mature approach taken by health bodies a number of years ago and all agree to, over time, transfer to a common ICT platform that could deliver shared services across Wales?

Conclusion

It is suggested that the 10 South East Councils discuss their preferred model. If an agreement can be reached, it is probable that the Cabinet Secretary may agree with our views. It is also likely that if our Region can come to an agreed position, that this may well form the basis of the footprint and model across Wales.

Whatever is discussed by the 10 South East Councils cannot be binding on any constituent council.

Further dialogue and agreement would need to be sought with WG and any possible agreement brought back to the Joint Cabinet of Leaders and constituent councils.

Recommendations

It is suggested that members consider the possible models and configuration set out in this discussion paper and see whether an agreed position, in principle, can be reached.

Any broad/in principle agreement would not in any way bind any constituent council but it may form the basis of useful dialogue with the Cabinet Secretary and his officials.

Members may even wish to consider a favoured alternative, with fall back positions if that is not agreed by WG.

ANNEX 4

Cyngor Sir CEREDIGION County Council

Y Cynghorydd / Councillor Ellen ap Gwynn
Arweinydd y Cyngor /
Leader of the Council

Neuadd Cyngor Ceredigion, Penmorfa, Aberaeron, SA46 0PA
www.ceredigion.gov.uk



Dyddiad Date	19/12/2016
Llinell uniongyrchol Direct line	01545 574190
E-bost Email	Ellen.ApGwynn@ceredigion.gov.uk

Professor Mark Drakeford AM,
Cabinet Secretary for Finance and
Local Government,
National Assembly for Wales,
Cardiff Bay,
CARDIFF,
CF99 1NA.

Dear Cabinet Secretary,

We write to inform you of the progress made here on developing a regional footprint around our regional economic partnership, Growing Mid Wales. This is a response to your oral statement to the National Assembly on October 4th and to your meetings with us and we would be pleased to develop these arrangements further with you and your officials in advance of your formal consultation next year.

We were encouraged to come together and form the Growing Mid Wales Partnership by the previous Economy Minister in 2014 and our Partnership first met in 2015. The Partnership seeks to provide a strategic focus and lead for the economic development of the Powys and Ceredigion areas.

In the past two years we have made substantial progress, some of which is set out below, but a key step has been the realignment of our existing and strong regional strategic transport arrangements here into and as part of our Growing Mid Wales Partnership which we have completed during the last 6 months.

Over the past two years:

- We have brought together a widely based cross sector partnership which meets quarterly.
- Our strategic approach 'Framework for Action' has been agreed and launched.
- The document recognises the distinct challenges and agenda for this, the largest region in Wales, and identifies priorities and a number of significant growth opportunities across the region.
- A number of key investments have been prioritised and are being developed.
- We have been successful in securing limited resources to develop our plans and have gained approval for one of our key priority investments in additional innovation hub business space.

Rydym yn croesawu gohebiaeth yn Gymraeg a Saesneg. Cewch ateb Cymraeg i bob gohebiaeth Gymraeg ac ateb Saesneg i bob gohebiaeth Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome correspondence in Welsh and English. Correspondence received in Welsh will be answered in Welsh and correspondence in English will be answered in English. Correspondence in Welsh will not involve any delay.

Prif Weithredwr / Chief Executive :
Dirprwy Brif Weithredwr / Deputy Chief Executive :
Cyfarwyddwyr Strategol / Strategic Directors :

Bronwen Morgan
Eifion Evans
Huw Morgan Cymunedau Cynaliadwy / Sustainable Communities
Barry Rees Dysgu a Phartneriaethau / Learning and Partnerships
Sue Darnbrook Golal, Amddiflfn a Ffordd o Fyw / Care, Protection and Lifestyle

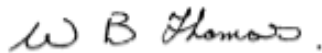
- We have met with the Cabinet Secretary for Economy and Infrastructure and discussed our 'Framework' and plans and are looking forward to welcoming him at a partnership meeting during the coming year.
- Similar meetings to discuss the 'Framework' and our plans with the Cabinet Secretary for Environment and Rural Affairs and Minister for Skills and Technology have been arranged in early 2017.
- We have embarked on a series of meetings exploring common challenges and possible joint approaches with the Marches Local Enterprise Partnership on a number of themes including cross border transport and infrastructure.

Our regional economic partnership is developing quickly and already forms the key arrangement for economic development and strategic transport working across the region. We are seeking to coordinate regional skills issues and other related agendas which will support our core economy and growth focus.

While the details arising from Brexit and arrangements thereafter will gradually emerge, we believe that there is substantial financial loss resulting for the Mid Wales economy and an even stronger need to work together to build the region.

We would emphasise that we would welcome the opportunity to discuss the arrangements we have developed around our regional economic partnership footprint with you and your officials ahead of the formal consultation in the New Year.

Yours sincerely,



Y Cyngorydd / Councillor Barry Thomas
Executive Leader, Powys County Council
Chair of the Growing Mid Wales Partnership



Y Cyngorydd / Councillor Ellen ap Gwynn
Leader of Ceredigion County Council
Vice-Chair of the Growing Mid Wales Partnership