

SCRUTINY LEADERSHIP GROUP - 24TH JULY 2014

SUBJECT: DEVOLUTION, DEMOCRACY AND DELIVERY WHITE PAPER – REFORMING LOCAL GOVERNMENT

REPORT BY: SCRUTINY RESEARCH OFFICER

1. PURPOSE OF REPORT

1.1 To inform Scrutiny Leadership Group of the Welsh Government White Paper ' Devolution, Democracy and Delivery – Reforming Local Government which is subject to consultation until 1st October 2014.

2. SUMMARY

2.1 This report informs Scrutiny Leadership Group of the Welsh Government's proposals in the White Paper 'Devolution, Democracy and Delivery – Reforming Local Government' and, specifically highlights potential implications for the scrutiny function.

3. LINKS TO STRATEGY

3.1 The operation of scrutiny is required by the Local Government Act 2000 and subsequent Assembly legislation.

4. THE REPORT

4.1 Welsh Government have published a White Paper entitled 'Devolution, Democracy and Delivery – Reforming Local Government', a copy is attached at appendix 1. The White Paper sets out the Welsh Government's detailed response to the report and recommendations made by the Commission on Public Service Governance and Delivery.

The White Paper contains a number of very significant potential issues for local government. The Welsh Government intends to bring forward legislation to fundamentally change the structure, membership and governance of local authorities as well as further strengthening the transparency of decision-making and impact of the scrutiny function.

- 4.2 The White paper includes proposals for the further strengthening of scrutiny arrangements. The key proposals are outlined below:
 - Fundamental review of how Local Authorities are constituted to build a new constitutional settlement for reformed local authorities (page 14).
 - Scrutiny and governance will be re-designed to ensure greater openness, transparency and accountability (page 14).
 - Reduce the complexity of audit, inspection and regulation requirement for auditors and regulators to report directly to scrutiny committees (page 14).

- Expectation on public service organisations to provide investment in scrutiny functions, ensuring appropriate training to ensure scrutiny is effective and engaging with service users (page 15).
- Putting Local Service Boards on a statutory footing ensuring the LSB is held to account by a designated Local Government scrutiny committee (pages 17 –18).
- Scrutiny committees to provide effective challenge to how their authority performs actively identifying and responding to emerging issues of performance or governance before they are highlighted by auditors or inspectors (page 19).
- 4.3 Scrutiny Leadership Group is asked to consider the scrutiny related elements of the White Paper. Given the serious nature of the proposals Members may wish to have sometime to consider the report before coming to any conclusions. Any views Members may wish to make can be forwarded to the Welsh Government as part of the consultation process.

5. EQUALITIES IMPLICATIONS

5.1 This report is for information purposes, so the Council's EqIA process does not need to be applied.

6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications not contained in the report.

7. PERSONNEL IMPLICATIONS

7.1 There are no personnel implications not contained in the report.

8. CONSULTATIONS

8.1 There are no consultation responses not contained in the report.

9. **RECOMMENDATIONS**

9.1 That Scrutiny Leadership Group consider the White Paper 'Devolution, Democracy and Delivery – Reforming Local Government'.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To ensure that Scrutiny Leadership Group is aware of the White Paper and have the opportunity to contribute to the Welsh Government's consultation.

11. STATUTORY POWER

- 11.1 Section 21 of the Local Government Act 2000.
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Appendices:

Appendix 1 Devolution, Democracy and Delivery White Paper – Reforming Local Government