

# Public Document Pack

Penallta House,  
Tredomen Park,  
Ystrad Mynach,  
Hengoed CF82 7PG

Ty Penallta,  
Parc Tredomen,  
Ystrad Mynach,  
Hengoed CF82 7PG



[www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)  
[www.caerffili.gov.uk](http://www.caerffili.gov.uk)

For all enquiries relating to this agenda please contact Emma Sullivan  
(Tel: 01443 864420 Email: [sullie@caerphilly.gov.uk](mailto:sullie@caerphilly.gov.uk))

**Date: 10th September 2014**

Dear Sir/Madam,

A meeting of the **Democratic Services Committee** will be held in the **Sirhowy Room, Penallta House, Tredomen, Ystrad Mynach** on **Wednesday, 17th September, 2014** at **5.00 pm** to consider the matters contained in the following agenda.

Yours faithfully,

A handwritten signature in blue ink that reads 'Chris Burns'.

**Chris Burns**  
INTERIM CHIEF EXECUTIVE

## A G E N D A

- 1 Apologies for absence.
- 2 Declarations of Interest.  
Councillors and Officers are reminded of their personal responsibility to declare any personal and/or prejudicial interest(s) in respect of any item of business on this agenda in accordance with the Local Government Act 2000, the Council's Constitution and the Code of Conduct for both Councillors and Officers.

To approve and sign the following minutes: -

- 3 Democratic Services Committee - 28th May 2014 (minute nos. 1-7).

To receive and consider the following reports: -

- 4 Proposed Amendment To The Standard Scrutiny Committee Agenda.
- 5 Devolution, Democracy And Delivery White Paper- Reforming Local Government.

A greener place Man gwyrddach



- 6 Social Media Protocol For Elected Members.
- 7 Protocol for the Webcasting of Council Meetings.

**Circulation:**

Councillors G. Bevan, P.J. Bevan, H.W. David, W. David, D.T. Davies (Vice Chair), R.T. Davies, Mrs C. Forehead, Mrs P. A. Griffiths, Ms J.G. Jones, G. Kirby, C.P. Mann (Chair), Mrs D. Price, A. Rees, Mrs M.E. Sargent, Mrs E. Stenner and J. Taylor,

And Appropriate Officers



## DEMOCRATIC SERVICES COMMITTEE

### MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH (SIRHOWY ROOM) ON WEDNESDAY 28TH MAY 2014 AT 5:00 PM

---

#### PRESENT:

Councillor C.P. Mann - Chair  
Councillor D.T. Davies Vice-Chair

#### Councillors:

Mrs G. Bevan, P.J. Bevan, H.W. David, W. David, R.T. Davies, Mrs C. Forehead,  
Mrs P. Griffiths, Ms J.G. Jones, G. Kirby, Mrs D. Price, Mrs E. Stenner and J. Taylor.

#### Together with:

J. Jones (Democratic Services Manager) and E Sullivan (Democratic Services Officer).

#### 1. APOLOGIES

Apologies for absence were received from Councillors A. Rees and Mrs M.E. Sargent.

#### 2. DECLARATIONS OF INTEREST

There were no declarations of interest made at the beginning or during the course of the meeting.

#### 3. MINUTES - 5TH MARCH 2014

RESOLVED that the minutes of the meeting held on the 5th March 2014 minute nos. 1-7 on page nos. 1-5 be approved as correct records and signed by the Chairman.

#### REPORTS OF OFFICERS

#### 4. REMOTE ATTENDANCE AT COUNCIL MEETINGS

The report sought Members views on remote attendance at Council meetings as part of the consultation process. The report to be presented to full Council for consideration sought approval to make standing orders to preclude the use of remote attendance for Members attending Council meetings.

Section 2 of the Local Government Act (Wales) Measure 2011 recently introduced the possibility of remote attendance at Council meetings. This facility would allow Members to attend Council meetings without having to be present at the published meeting place. It was noted that the complexity of the legislation does not make the system readily implementable given that a Member attending remotely must, when speaking, be able to be seen and heard by those Members in actual attendance and additionally members taking part in the meeting must be able to be seen and heard by the remote attendees.

The practical and technological difficulties in achieving remote attendance were noted and the possible constitutional complications were outlined. The advantages of the system for rural councils or those with a wide geographical spread were acknowledged however this authority did not have such significant geographical challenges. With good rail and road links Members were able to travel to Penallta House or Pontllanfraith House within a reasonable time regardless of their home address and therefore would have only limited advantage for Caerphilly County Borough Councillors.

The Officer referred Members to the recommendations as detailed in section 9 of the report and welcomed comments as part of the consultation process.

The Chair thanked the Officer for his report and full discussion ensued.

Clarification was sought in relation to section 4.5 of the report and how the demand, or lack of it for remote attendance had been established. The Officer confirmed that previous reports had been brought before Members on the Local Government Measure and feedback had been received to support the statement as detailed.

Members who had previously used teleconferencing facilities at other venues confirmed the poor quality of the transmissions and the interruption caused to meeting procedures. Members agreed that the available technology would not be able to sustain the continuity of a meeting and that current costs would make the implementation of such a system prohibitive.

Having fully considered the contents of the report it was moved and seconded that the recommendations contained therein be approved and that Council be informed of the endorsement of the Democratic Services Committee and by a show of hands this was unanimously agreed.

## **5. APPOINTMENT OF INTERIM HEAD OF DEMOCRATIC SERVICES**

The report sought Members approval to designate the interim Deputy Monitoring Officer as the statutory Head of Democratic Services on an interim basis.

Members noted the responsibilities of the Head of Democratic Services as required by the Local Government Measure and the requirement to amend the Council constitution to reflect the appointment.

Having fully considered the contents of the report it was moved and seconded that the recommendations contained therein be approved and by a show of hands this was unanimously agreed.

RESOLVED that: -

- i) the Interim Deputy Monitoring Officer be designated as the Interim Head of Democratic Services.
- ii) Democratic Services Committee recommend to full Council the designation of the Interim Deputy Monitoring Officer as Interim Head of Democratic Services be reflected in the Council's constitution and the Interim Head of Legal

Services and Monitoring Officer be given delegated authority to make the appropriate amendments.

## **6. MEMBERS ANNUAL REPORTS 2013/14**

The Democratic Services Manager provided a verbal update with regard to the 2013/14 Annual Reports for Elected Members.

The Officer thanked Members for their cooperation and hard work last year and confirmed that Caerphilly had been the only authority to publish all of their Members Annual Reports by the 31st of July deadline. It was noted that report templates for 2013/2014 had already been emailed to Members along with their completed reports from last year as a guide.

Members were advised that as last year, support would be provided by the Democratic Services team and confirmed that constituency activity information would be accepted whatever format was easiest for Members. The deadline for the submission of reports to the Democratic Services Team was confirmed as 5.00pm on the 30th June 2014. Reports would then be checked and returned to Members for final approval before the publication on the 31st July 2014.

The Chair thanked the Officer for his report and full discussion ensued.

Clarification was sought with regard to the recording of Special Committee Meetings within the attendance statistics. A Member felt it important that attendance in all forms be recorded so that Members are credited appropriately. The Officer confirmed that Members had traditionally requested that special meetings not form part of their reported statistics due to the short notice associated with the calling of a special meeting. However should Members wish to reconsider this position, a report could be presented to this committee in order to gauge Member opinion on the matter. Members were advised that there would no issue in making the change from a democratic services point of view as long as the statistical information was represented consistently.

The inclusion of special meetings in attendance figures was discussed at length and generally supported however concerns were expressed that Members in employment or with carer responsibilities might find it difficult to attend special meetings called at short notice resulting in poor attendance figures. Members also referenced constituency commitments and the difficulty in balance meeting attendance with those demands.

It was moved and seconded that a report be brought to the Democratic Services Committee on the inclusion of special meetings in attendance statistics and by a show of hands with was unanimously agreed.

The Democratic Services Committee noted the verbal update.

## **7. UPDATE ON THE REPLACEMENT OF THE AV SYSTEM IN THE COUNCIL CHAMBER**

The Democratic Services Manager provided a verbal update with regard to the progress of the replacement of the audio visual system in the Council Chamber

The Officer confirmed that Cabinet had agreed the contract be awarded to Vaughan Sounds and a new BOSCH system would be installed. Members were advised that the new system would support electronic voting, amplification and facilitate webcasting. The installation programme was outlined and would take approximately a week to complete. It was noted that the Public I webcasting system would be installed at the same time in order to ensure the coordination of the two systems. Members noted the proposed timeframe for the introduction of webcasting and forthcoming training programme for both Officers and Members.

Member training would be facilitated by Melanie Dole the ex BBC Wales News Reporter. Ms Dole had been recommended and would take Members through front of camera protocols, pitfalls and presentation best practice. Assurances were given that Members would be fully supported in order to ensure that they were reflected in the best possible light.

The Chair thanked the Officer for the update and full discussion ensued.

Members welcomed the upgrading of the Chamber System and clarification was sought that the improvements to the microphone system would extend to those used by Officers and Members of the Public when addressing Council and particularly Planning Committee.

The Officer confirmed that the use of lapel microphones would prevent any drops in amplification and would be made available to speakers. All new cabling within the Chamber and the reconfiguration of microphones, speakers, electronic voting and webcasting into a single integrated system would overcome current issues.

Clarification was sought as to the cost of the replacement AV system and this was confirmed at approximately £56,000. This included all the new hardware, software, cabling, a five year warranty and service contracts. It was noted that the costs of the original system would be lost, however, arrangements will be made for the current system to be resold for parts.

The Democratic Services Committee noted the verbal update.

Approved as a correct record subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 17th September 2014 there were signed by the Chairman.

The meeting closed at 17.30.

---

CHAIRMAN



## DEMOCRATIC SERVICES COMMITTEE - 17TH SEPTEMBER 2014

**SUBJECT: PROPOSED AMENDMENT TO THE STANDARD SCRUTINY COMMITTEE AGENDA**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & SECTION 151 OFFICER**

---

### **1. PURPOSE OF REPORT**

- 1.1 To seek comments of Democratic Services Committee Members prior to the recommendation to Council, to amend the standard agenda format in order to reflect the recent changes to the process for the development of scrutiny forward work programmes and suggestions for change made by the Scrutiny Leadership Group.

### **2. SUMMARY**

- 2.1 This report outlines proposals for scrutiny committee agendas to be amended and make them consistent with the new consultation arrangements for scrutiny committee forward work programmes. The report also suggests changes to the printing of scrutiny committee information reports in view of the low number of reports brought forward for discussion.

### **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 The Scrutiny Improvement Action Plan was approved by full Council on 8<sup>th</sup> October 2013 and it contained a number of changes to the Council's established scrutiny committee arrangements.

#### **Requests for Reports**

- 4.2 The arrangements for development of scrutiny committee forward work programmes include formal consultation with the members of each scrutiny committee, officers, stakeholders and the general public. Following the consultation period, the work programme is agreed by the Scrutiny Leadership Group.
- 4.3 Since the introduction of the new forward work programme arrangements it has become apparent that the format of scrutiny committee agendas should be re-considered. At present the agenda includes a standing item whereby members of the committee can request reports for consideration on a future agenda. This agenda item is inconsistent with the new arrangements for developing forward work programmes as these are now produced on a rolling 12 week cycle.

- 4.4 In order to ensure that arrangements for requesting reports are clear and consistent with managing scrutiny committees forward work programmes, it is suggested that the standard item to request reports is removed from the scrutiny committee agendas.

### **Scrutiny Committee Information Reports**

- 4.5 The Scrutiny Leadership Group recently considered how committee agendas could be improved.
- 4.6 At present reports for information are printed and included in the committee agenda pack. Information reports are not discussed at meetings unless a committee member specifically requests a report is brought forward for discussion. Scrutiny Leadership Group concluded that the reports are informative and help keep members up to date on issues but as they are only very occasionally brought forward for discussion the cost of printing information reports could not be justified.
- 4.7 The following table shows the number of 'for information reports' brought forward for discussion over the last 6 months:

<b>Scrutiny Committee's Sept 2013 to April 2014</b>	<b>Number of Information Reports</b>	<b>Number of Reports Called Forward</b>
Education for Life	17	0
Health Social Care & Wellbeing	10	1
Policy and Resources	38	3
Regeneration and Environment	45	2

- 4.8 As an alternative to printing information reports, it is proposed to continue to list the information reports on the agenda but not to print them for inclusion in the agenda pack. Councillors and members of the public would be advised on the agenda (members would also receive advice by email) that the reports are available electronically on the council's website (and Members Portal). Should a report be called forward for discussion, Democratic Services would provide members of the committee with printed copies of the report at the meeting.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 An EqIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance and no potential for unlawful discrimination and/or low level or minor negative impact have been identified, therefore a full EqIA has not been carried out.
- 5.2 Paper copies and alternate languages/formats would still be made available on request if required, as is current practice for all documents, in line with Equalities and Welsh language duties.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 There will be a small saving in the members printing budget if information items are only made available electronically.

## **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 To recommend to Council that:

9.1.1 To remove the 'requests for reports agenda item' from the standard scrutiny committee agenda.

9.1.2 To discontinue the printing of information reports and include advice on the agenda that copies of the reports are available electronically on the Council's website and Members Portal.

9.1.3 The Monitoring Officer be given delegated powers to make the necessary amendments to the Council's Constitution.

## **10. REASONS FOR THE RECOMMENDATIONS**

10.1 To make the arrangements in respect of report requests by scrutiny committee members consistent with the consultation on forward work programmes.

10.2 To reduce the cost of printing information reports.

## **11. STATUTORY POWER**

11.1 Section 21 of the Local Government Act 2000

Author: Catherine Forbes-Thompson Scrutiny Research Officer  
Consultees: Stuart Rosser, Interim Chief Executive  
Nicole Scammell, Acting Director Corporate Services & Section 151 Officer  
Gail Williams, Interim Head of Legal and Monitoring Officer  
Angharad Price, Interim Deputy Monitoring Officer  
Jonathan Jones, Democratic Services Manager  
David A Thomas, Equalities and Welsh Language Officer  
Cllr. Christine Forehead, Cabinet Member HR & Governance/Business Manager

This page is intentionally left blank



## DEMOCRATIC SERVICES COMMITTEE - 17TH SEPTEMBER 2014

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

**REPORT BY:    ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

---

### **1.       PURPOSE OF REPORT**

- 1.1    To inform Democratic Services Committee 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 Democratic Services Committee 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 Democratic Services Committee is asked to consider the scrutiny and governance related elements of the White Paper. 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 Democratic Services Committee consider the White Paper 'Devolution, Democracy and Delivery – Reforming Local Government'.

## **10. REASONS FOR THE RECOMMENDATIONS**

10.1 To ensure that Democratic Services Committee 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.

Author: Catherine Forbes-Thompson, Scrutiny Research Officer  
 Consultees: Nicole Scammell Acting Director of Corporate Services and Section 151 Officer  
 Gail Williams, Interim Head of Legal Services and Monitoring Officer.  
 Angharad Price, Interim Deputy Monitoring Officer  
 Jonathan Jones, Democratic Services Manager

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



Llywodraeth Cymru  
Welsh Government

[www.cymru.gov.uk](http://www.cymru.gov.uk)

Devolution,  
Democracy and  
Delivery

# White Paper – Reforming Local Government

Date of issue: 8 July 2014

Responses by: 1 October 2014 @ 23:59

**Overview**

The White Paper 'Reforming Local Government' is the Welsh Government's statement of intent about the future of Local Government. The White Paper also responds to the Local Government aspects of the report of the Commission on Public Service Governance and Delivery. The White Paper seeks views on whether our vision is the right one, and suggestions on how it could be further developed.

**How to respond**

To respond to the consultation please either complete the online form or complete the questionnaire at the back of the document and return it either by email to

ReformingLG@Wales.gsi.gov.uk

or by post to

Reforming Local Government  
Welsh Government  
Cathays Park  
Cardiff  
CF10 3NQ

**Further information and related documents**

Large print, Braille and alternative language versions of this document are available on request.

**Contact details**

For further information:

Reforming Local Government  
Welsh Government  
Cathays Park  
Cardiff  
CF10 3NQ

email: ReformingLG@Wales.gsi.gov.uk

**Data protection**

How the views and information you give us will be used

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

## Contents

Foreword by the Minister for Local Government and Government Business	5
Introduction	6
The findings of the Commission on Public Service Governance and Delivery	8
The future of Local Government	9
Reforming Local Government – Strengthening democracy, sustaining and improving services	13
Reforming Local Government – Merging Local Authorities	20
Financial considerations – the costs and benefits of merging Local Authorities	33
Conclusion	36



## Foreword by the Minister for Local Government and Government Business



Local Government provides services many people depend on and we all expect to be there when we need them. These include the services which educate our children, care for and support the most vulnerable members of our families and communities, fix our roads and collect our waste. However, Local Government does not exist simply to provide services. We have a strong tradition of community participation in Wales and we know the public want to be involved in designing the future for their area and the services provided. We all pay for public services through our taxes, so we all have a stake in their future.

The environment for public services is almost unrecognisable from where we were 50, 20 or even 10 years ago. Times are tough financially, demand is increasing for many services and the public expect instant access to information. The Commission on Public Service Governance and Delivery confirmed what we already knew – our current arrangements are not fit for purpose. Reform must be significant and sustainable.

In this White Paper I give you my initial thoughts on a vision for Welsh Local Government fit for the 21st Century and beyond.

It proposes a new relationship between Local Government and communities. We need communities and Authorities to work together to tackle issues and create joint solutions. I have already introduced measures to promote better engagement, greater openness and transparency, however, we need to do more.

It sets out action to ensure our elected representatives reflect the communities they serve. I am passionate about increasing diversity in Local Government.

It will strengthen governance and make it clear how decisions are made and who took them. It will help local Councillors provide effective challenge and scrutiny. It will encourage innovation and the sharing of best practice, to drive excellent performance and services which meet people's needs.

The White Paper starts to set out the changes to structure needed to empower Authorities to rise to the challenge of leading their areas. It reminds us not to forget about collaboration.

However, 'the devil is in the detail'. To crystallise my vision, to add broader perspectives and to come up with detailed plans and timetables for implementation, I need your views. I will set up arrangements for a frank and open debate and I expect a mature and constructive conversation. Local Government must take the lead in designing its own destiny. We must work together, in partnership, over the coming months to build Local Authorities designed for Wales, in Wales.

## Introduction

1. We know the people of Wales place great value on their public services. These include the services provided by Local Government which educate our children, care for our older people, support those who are ill or disabled, watch over the most vulnerable, and collect our waste. Some people in our communities particularly depend on these services and we all expect them to be there at the times in our lives when we need them. We all appreciate the thousands of dedicated public servants who work hard to deliver these services and would want their efforts to be recognised and appreciated. We all pay for public services through our national and local taxes, so we all have a stake in their future. But public services mean more to us than delivery of specific services. They are part of the communities in which we all live and provide the background against which daily life in Wales takes place.
2. We have a strong tradition of local democracy and community action and participation, and we know the Welsh public wants to be involved in the decisions about how the future of our communities is planned and how services are designed and delivered. We know people recognise this is not just about the here and now, but also about how we make public services sustainable so they deliver effectively for future generations.
3. However, Wales and its public services face complex and unprecedented challenges. Many of these are a legacy from the past, but this generation must not leave them as challenges for the next. The funding available for public services is under pressure, and will continue to be, whilst more and more people are likely to need these services. We cannot sustain this, and we know something has to change. This White Paper invites a wide engagement with the reality of the situation we face – the need to reform not just our structures and our services, but the terms of engagement with our public services and our expectations of them.
4. It was for this reason we established the Commission on Public Service Governance and Delivery (“the Commission”), and asked it to produce an honest, independent and robust report on how our public services are governed and delivered now, how this needs to change in order to meet the needs of people today, and how we can build a sustainable basis for the future.
5. The Commission has provided a detailed, authoritative report, with a series of recommendations for action. Some of it makes uncomfortable, challenging reading – for the Welsh Government, for Local Government, and for other public services. However, we cannot be defensive, or deny the existence of the challenges the Commission has identified. We may not agree with every detail in the report, but we recognise the problems of wide variation in performance and efficiency, of scrutiny and governance which does not support and drive improvement, of basic standards and principles of governance not being applied consistently and effectively, and of excessive complexity.
6. We are very grateful to the Commission for its work. Its report is an important stimulus for change, and this White Paper is a positive response to the challenges the Commission poses for the future of Local Government in Wales, and its contribution to high-quality, responsive and efficient public services. However, we want this paper to be more than a response to the Commission. It is our statement of intent about the Local Government we want, Local

Government which improves the well-being of Wales by contributing towards shared long-term outcomes. We want to ensure a proper relationship between those who provide a service and those who rely on it, through stronger local democracy, and more effective scrutiny, and enabling local Councillors to properly hold those responsible for services to account, on behalf of the communities they serve. We want well-run Local Authorities which operate transparently and openly, which plan effectively, which use the resources available to them to best effect, and which work collaboratively and in partnership with others wherever this will benefit the people they serve. And we want people themselves to have a stronger voice, and more influence over how services are designed and delivered. To deliver this, Local Authorities will also need to be continually assessing and improving their own performance. This paper does not cover every aspect of how we will achieve this – in some areas we are continuing to develop our plans, and more details will follow in the coming months.

7. This Paper also responds to some of the Commission's findings which have implications beyond Local Authorities, such as those relating to partnership and collaboration, and it addresses recommendations for Fire and Rescue Authorities relating to scrutiny and governance, and to boundary changes.

8. Since the Commission published its report, discussion has focused on whether we have too many Local Authorities, and whether we should reduce the number by merging some of them. The Commission's proposals have provoked much comment and debate. Some have suggested we should be focusing our efforts and resources on improving services, rather than changing boundaries. This misses the point: merging Authorities is an essential component – though not the only one – of improving services, making Authorities more efficient and enhancing their capability, and putting them on a stable financial footing to meet the challenges ahead. The Commission is clear its proposals are a package: we agree, even if we do not agree with every detail of the recommendations. We know we cannot just merge Authorities into larger units, then sit back and expect things to improve. However, without a reduction in the number of Authorities, it is clear many will not be sustainable and will struggle to meet the challenges they face now and in the future.

9. The proposals for Local Authority mergers represent the single biggest change recommended by the Commission and, if we are to deliver at the pace the Commission called for, we need to start immediately. This paper therefore focuses on the actions we intend to take between now and the end of the current Assembly in May 2016 to facilitate a programme of Local Authority mergers. However, we remain clear mergers are only part of the story. So this White Paper also sets out a wider vision for the future of Local Government and the services it delivers. Ultimately, we want a Local Government which is fit for the 21st Century, which is connected to its communities, and which delivers improved well-being and effectively prioritises and delivers services to a high standard. However, we need your views about the Local Government Wales wants as well: we want to be sure our plans and ambitions are the right ones, and we have included questions throughout this Paper, inviting views and comments on some of the proposals for action we have set out.

10. In parallel with this White Paper, we have also issued 'Devolution, Democracy and Delivery - Improving public services for people in Wales'. This sets out a comprehensive, Government-wide response to the challenges articulated by the Commission on Public Service Governance and Delivery, as well as a vision for the future of the devolution settlement, following the report of the Commission on Devolution in Wales. 'Devolution, Democracy and Delivery - Improving public services for people in Wales' ranges far more widely than this Local Government White Paper, but many of the actions proposed will have implications for Local Government as part of a wider devolved public services, in relation to matters such as leadership, performance, developing new models of public services (including co-production), and the concept of 'one public service', as well as our response to the Commission's specific proposals for Powys, and for integration of health and social care in other areas.

## The findings of the Commission on Public Service Governance and Delivery

11. It is important to emphasise again this White Paper is more than just a response to the findings of the Commission. Rather, it is a statement of purpose about how we propose to deliver the changes necessary, if we are to have consistently excellent local public services. Nonetheless, responding to the Commission's work and its findings is a central part of this Paper, so we start by restating the Commission's key findings.

12. The Commission found the financial pressures on public services to be severe and unsustainable. Even the most positive projections indicate public expenditure will not return to 2011 levels until around 2022. In the meantime, the number of older people will continue to grow relative to the rest of the population (as will the younger population in some parts of Wales), so demand for Local Authority services will continue to grow. The Commission notes these pressures and challenges are not unique to Wales, or the UK: they exist across the developed world.

13. The Commission finds performance is poor and patchy, with a wide difference between best and worst, and significant variations in efficiency. The Commission accepts some variation in performance is inevitable, because different Local Authorities face different challenges of demography, deprivation, and geography. However, it describes the differences as 'often inexplicable'. Given the future financial challenges, weaknesses in performance will only increase unless we act.

14. The Commission identifies a number of shortcomings which contribute to these problems of performance. It finds too much effort is wasted on managing complex public sector systems and relationships rather than on providing quality services. This is a particular issue for Local Authorities because they are unique, multi-service organisations, linked inextricably with the rest of the public sector. Its solution is to reduce complexity of the public sector, by simplifying accountability, removing duplication, streamlining partnerships and ensuring organisations work together effectively.

15. The Commission finds compelling evidence many Local Authorities are too small to address the risks and pressures they face. This does not necessarily mean larger Authorities perform

consistently better than smaller ones, and the Commission does not suggest this. However, it finds breadth and depth of capacity to be a real challenge, with small scale often creating unacceptable risks to governance and delivery. The Commission therefore proposes a reduction in the number of Authorities to between 10 and 12, through mergers of existing Authorities. This, it believes, will combat the serious problems of small scale and make it easier for Local Authorities to work with other public service organisations in the public interest. It will also create significant long-term savings, which will help protect services.

16. The Commission highlights the importance of governance, scrutiny and accountability in driving improvement, but it finds governance arrangements within organisations are too often unclear, and scrutiny and other accountability mechanisms are under-valued and ineffective. It recommends changes to make organisations more responsive, with accountability mechanisms which are better informed, more complementary, more effective and less burdensome. It also recommends measures to improve leadership, and calls for development of a shared, collaborative and citizen-centred set of public service values.

17. The Commission found the number and scale of Town and Community Councils to be problematic and they expressed concerns around their accountability, representativeness and their ability to understand and articulate local needs. They concluded the Community Council sector is in need of reform. The Commission recognised the importance of harnessing the voice of the citizen as a force for improvement but acknowledged the processes and practices for doing so were sporadic, inconsistent and often ineffective.

18. Finally, the Commission finds the wealth of performance data collected by the public sector is not being properly used to deliver improved outcomes, and recommends a single and concise set of national outcomes, with local partnerships and organisations feeding into them.

19. The Commission recognises there are examples of good performance, highlighting the success of Fire and Rescue Services in reducing fire casualties (which have more than halved since 2004-05), and the achievements of Local Authorities in meeting targets for waste and recycling. Nonetheless, we agree performance needs to improve, and recognise fundamental change to the way we prioritise, organise, manage and deliver services is necessary for this to happen.

## The future of Local Government – what should we expect of Local Authorities?

20. The Welsh Government's ambition is to make Wales a better place, to deliver real change to improve the lives of people now, and leave a better legacy for our children and grandchildren. This means a Wales which is more equal, prosperous, and innovative; with healthier people living in safe, cohesive and resilient communities, who have more opportunities to use the Welsh language.

21. We – and particularly those who rely more heavily on public services – expect our services to play a full and central part in achieving the Wales we want. In February 2014 we set out a vision for a sustainable future for Wales – The Wales we want in 2050. The Well-being of

Future Generations (Wales) Bill introduced into the National Assembly for Wales on 7 July 2014 proposes a new legislative framework to agree a set of long-term well-being goals for Wales, and a stronger sustainable development framework with public bodies at its heart. This means thinking more about the long term, working better together, taking early action and engaging with people on this journey.

22. One of the aims of the Bill is to ensure Local Authorities work together, and with other parts of the public service, to improve the lives of people, both now and in the future, through the delivery of a shared set of long-term goals for improving social, economic and environmental well-being. These long-term well-being goals for Wales will help us address the call from the Commission for reform to be nationally driven and co-ordinated across the public sector, with suggestions for a clear and concise statement of all-Wales outcomes, to which all public sector organisations contribute. The Bill will also secure key governance approaches of prevention and collaboration, consistent with the Commission's broader findings about the importance of prevention and co-production in developing and delivering services.

23. We know Authorities are committed to actively promoting and improving well-being in the way envisaged by the Well-being of Future Generations (Wales) Bill, as well as delivering services, but this has to start with doing those things the public can reasonably expect of them. What are these expectations?

24. The evidence tells us people want Local Authorities capable of providing the services they need, and which are able to respond quickly and effectively when they need them. Services should be high performing, simple for people to access and use (in English and in Welsh), resilient enough to cope with increasing demand, and able to adapt to new challenges through innovation. Authorities should work with communities and individuals on service design, involving other partners and particularly the Third Sector, as well as their own staff, many of whom are keen to be more closely involved in designing innovative solutions to the delivery challenges they see every day.

25. However, Authorities should also be anticipating and managing demand, identifying and dealing with problems early, to prevent those problems getting worse and in turn placing greater demands on already stretched services. We and Local Government also need to be open and honest about the limits of what Local Authorities can provide, particularly in light of growing financial constraint. Whilst Local Authority services must always be there to help the vulnerable, and to support those who may be in crisis, they cannot (and should not) be there to solve every problem which might arise. People have a role to play and a responsibility for their own well-being. And some services might more effectively be provided in a different way.

26. We also know people want to see and understand how Local Authorities make decisions about their local services, and be part of the decision-making process, with their voices heard and their views taken into account. This means Authorities need to be open, telling people what they are doing, involving people in what is important to them through regular and active engagement, and providing easy access to the information people need to help them engage effectively.

27. People pay for their local services through their taxes (national and local), and they want to know their money is being used properly and effectively, with robust and effective processes in place to ensure this happens. Local Authorities need to be well-run, making decisions properly and transparently, and complying with all financial and legal requirements, so people can have confidence the money they provide is always used to best effect.

28. People want their Councillors to represent the diversity of the communities which elect them, and they want to be confident their own Councillor is working to make services better. This means effectively representing the views of individuals and communities, and holding the Authority's leadership to account both on the delivery of services, and the longer term work to improve social, economic and environmental well-being.

29. Finally, we know people expect Authorities to be responsive when services fall below the required standard. People understand things will sometimes go wrong, but when this happens they expect a prompt response, effective action, and for lessons to be learned, so the same mistakes are not repeated.

### Do Local Authorities meet these expectations?

30. Unfortunately, these expectations are not always met. The Commission has highlighted poor and patchy performance in the delivery of many services, and wide variations in efficiency. It cannot be right for disabled people in one Authority to have to wait over a year longer for adaptations to their homes than those in another. Nor, in a climate of continuing financial austerity, can we ignore a difference in annual corporate management costs between two neighbouring Authorities equal to over £50 per resident, or a cost difference of £90 per ton of waste collected between one Welsh Authority and another. Many of our Authorities are, or have recently been, in special measures for education. And even where an Authority does perform well in one area of service, it is often unable to replicate this performance across the range of its responsibilities. And this is not just a matter of indicators and targets. The National Survey for Wales 2012-13 found 43% of people in Wales do not 'agree' their Council provides high quality services; in addition, 59% of people did not agree their Local Authority was good at letting them know how it was performing.<sup>1</sup>

31. Authorities are becoming more open and transparent, but there are still too many examples of decisions being made without proper consultation, and we have seen a series of failures of governance in a number of Authorities. Even if the actual sums of money involved are relatively modest in the context of an Authority's total budget, these failures damage significantly the trust people have in their Local Authority, to use local taxpayers' money properly and effectively.

32. The National Survey found 47% of people want to be more involved in the decision-making of their Council. Local Authorities are facing difficult decisions about future budgets and there are some excellent examples of how they have engaged with their communities, but there

<sup>1</sup> National Survey for Wales, Headline results April 2012– March 2013, 23 May 2014. <http://wales.gov.uk/statistics-and-research/nationals-survey/?lang=en#/statistics-and-research/nationals-survey/?lang=en>

needs to be more. The Wales Audit Office (WAO)<sup>2</sup> has found many Councils did not engage effectively when planning budgets, or did not take account of the results of the engagement which took place. As a result, the WAO concludes some Councils may not be reflecting the needs, priorities and expectations of their communities.

33. We are still a long way from having a body of Elected Members who fully reflect the communities they serve, and who effectively scrutinise and hold their Authorities to account. The people who make decisions on our behalf need to be in tune with and representative of their communities, and understand their needs, but the majority of Councillors in Wales are over 60 years of age, less than a third are women, and 99 in every 100 is white.

34. Scrutiny is improving, but the Commission – and more recently the WAO<sup>3</sup> – have found there is much more to do in order to increase public accountability in decision-making. And the Welsh Government's postbag reveals continuing dissatisfaction about the way in which Authorities respond to complaints made to them, whilst the Public Service Ombudsman for Wales has highlighted the problems of delays by Local Authorities and other public services in responding to complaints.<sup>4</sup>

35. Authorities need to rise to these challenges, but we recognise there are challenges for us as well, and we know Government has a role to play. Like all national Governments, we must set the outcomes we want to see attained, and we must enable and support Local Authorities and others to do so. But we do not need to manage the detail of Local Authority business. We can, and should, leave more autonomy and decision-making with those who manage the delivery of services. Our approach to developing policies needs to recognise the strengths of being more joined up, and needs to take a more consistent approach to practical issues of delivery. And, we need to remove some of the burden we place on Authorities through excessive performance measurement, detailed planning requirements, and financial constraints. In return, we would expect performance and the delivery of our priorities to improve.

**Q: How can Local Authorities engage more effectively with their communities about the challenges of sustaining services as they are currently delivered and the need for change?**

**Q: What more could the Welsh Government do to assist Authorities with this dialogue, to improve their performance in the delivery of priority services?**

**Q: What specific suggestions do you have for reducing and simplifying administration, which would free up time and resources to deliver and improve services?**

<sup>2</sup> Meeting the Financial Challenges Facing Local Government in Wales, Wales Audit Office, January 2014. <https://www.wao.gov.uk/publication/meeting-financial-challenges-facing-local-government-wales>

<sup>3</sup> Good Scrutiny? Good Question! - Auditor General for Wales improvement study: Scrutiny in Local Government, May 2014. <https://www.wao.gov.uk/publication/good-scrutiny-good-question-auditor-general-wales-improvement-study-scrutiny-local>

<sup>4</sup> The Ombudsman's Casebook Issue 15, January 2014. <https://www.ombudsman-wales.org.uk/en/publications/The-Ombudsmans-Casebook.aspx>



## Moving Forward

36. It is easy to argue we should be concentrating on sorting out these problems, not changing structures. However, we must have a system of governance at national and local level which puts us in the best possible position to put these things right, and to have organisations which are capable of performing. Our core aim is not a restructuring of Local Government, it is Local Authorities delivering services which continually improve and strive for excellence, whose performance is visible and transparent to the communities they serve, and which is able to be compared against the best. This means best in class, not just best in Wales: local aspiration to be better than the Wales average is not enough.

37. This White Paper sets out the necessary steps towards the merging of Local Authorities into larger, more sustainable organisations. However, merging Authorities will only meet these aims if accompanied by a wider package of Local Government reform, because simply combining together the Authorities we have now into larger bodies which carry on doing the same things in the same way will not deliver better services or better outcomes. We need to lay the groundwork now if we are to deliver coherent, comprehensive and fully planned reform. The remainder of this paper therefore sets out our vision for Local Authorities, and how we intend to deliver it.

## Reforming Local Government – Strengthening democracy, sustaining and improving services

38. As we describe in the Introduction, we want Local Authorities fit for the 21st Century. We want a proper relationship between those who provide a service and those who rely on it, through stronger local democracy, and more effective scrutiny, enabling local councillors to properly hold those responsible for services to account, on behalf of the communities they serve. We want this to include planning for the long-term, not simply focusing on short-term decision-making. We also want to see a renewed drive amongst Local Authorities for greater collaboration and partnership working, with each other, with other parts of the public service, and with the Third Sector, where this represents the best way of delivering for communities.

## How do we make Local Government more accountable and transparent? – Democracy and Scrutiny

39. Local Authorities have an essential role in delivering services for the communities they serve. However, we do not want Local Authorities simply to be the managers of a series of individual services, we need them also to lead the drive for improving the full range of their services so the services work together to secure the wider well-being of their communities. This requires healthy and robust local democracy, where Councillors see themselves as champions of people and communities and are recognised as such, and where they are responsible for decision-making, and for effectively holding each other to account. They also have clear roles to play in delivering and improving services for the public they serve and represent.

40. To ensure Local Authorities are able to support this aim, we intend to fundamentally review how Authorities are constituted, in order to build a new constitutional settlement for reformed Local Authorities in the future. This will capitalise on the connection between Elected Members and their communities, ensure openness and transparency and have clear accountability for decision making at its heart. We intend to examine scrutiny arrangements, governance arrangements and the role of audit, inspection and regulation as part of this review.

41. Scrutiny and governance arrangements will therefore be re-designed to ensure greater openness, transparency and accountability. For example, we have made changes to require all Local Authority jobs which attract a salary of over £100,000 to be advertised publicly, for decisions on senior pay to be made by full Council, and for any adjustment to the pay of Chief Executives to be referred to the Independent Remuneration Panel. We have improved access to Council business and provided funding to help Authorities introduce live broadcasting of full meetings of principal Councils and Committees, and we intend to introduce a mandatory requirement on all Authorities to do so.

42. We also want to ensure our Locally Elected Members are truly representative of the communities they serve: the Report of the Expert Group on Diversity in Local Government<sup>5</sup> has demonstrated we are still a long way from achieving this. We have developed, and will implement, an Action Plan in response to the Expert Group's report, and we will work closely with all political parties to deliver priority targets, such as the aim for at least 40 per cent of Councillors being female. A group has been established to steer this work up to the Local Government elections in 2017. The group includes representatives from a range of organisations including the Welsh Local Government Association (WLGA), One Voice Wales and political parties. It will be supported by an expert seconded into the Welsh Government to take forward the Action Plan put to the National Assembly for Wales by the Minister for Local Government and Government Business and a network of Elected Member champions from each of the existing Local Authorities.

43. The Commission made a number of recommendations which seek to reduce the complexity associated with audit, inspection and regulation,<sup>6</sup> and strengthen the alignment between local scrutiny and the public service audit and inspection regime. Our review of audit and inspection will support these recommendations. This review has already begun and the findings will inform the way the audit and inspection regime is developed. In the meantime, we agree with the Commission that auditors and inspectors who report on Local Authorities should do so directly to the appropriate scrutiny or audit committee, and we expect them to begin to do so immediately.

44. We also accept the Commission's recommendations about reinforcing the status and value of scrutiny, and we agree organisations need to view scrutiny as an investment which can deliver both better services and future efficiencies. Our existing programme of support for scrutiny has already had an impact on the status and effectiveness of Local Authority scrutiny. During the recent Local Authority budget-setting process for 2014-15, a number of Authorities

<sup>5</sup> <http://wales.gov.uk/topics/localgovernment/publications/expert-group-report/?lang=en>

<sup>6</sup> The key bodies include the Wales Audit Office, the Care and Social Services Inspectorate Wales, and Estyn

established successful engagement strategies to inform the scrutiny of budget proposals made in response to reductions in available resources. This has highlighted the value of engagement and scrutiny when Local Authorities have to make difficult decisions, in particular the impact of those decisions on service users. The Scrutiny Development Fund is also supporting a project to develop principles of the effective scrutiny of services delivered collaboratively.

45. We intend to continue with the current programme, but we are also examining how we may be able to extend its scope, in order to provide additional support specifically to deliver the Commission's recommendations in this regard. We expect to see public service organisations in Wales providing similar investment in scrutiny functions, ensuring appropriate training to ensure scrutiny is effective, and engaging with service users to ensure the value of scrutiny is well understood. In addition, having placed a duty in the Local Government (Wales) Measure 2011 on Local Authorities to engage effectively with service users in delivering their scrutiny functions, we encourage other public bodies to ensure service users can engage in their scrutiny processes.

**Q: What specific changes should be made to the way in which Local Authorities are currently constituted to ensure openness, transparency and clarity of accountability?**

**Q: How should the scrutiny support programme be shaped to support improvements in the effectiveness of scrutiny?**

**Q: In what other ways should scrutiny be strengthened to drive service improvement?**

## Scrutiny and Governance – Fire and Rescue Authorities

46. The importance of governance and scrutiny in driving continuous improvement even where there is good performance, applies to Fire and Rescue Authorities as much as it does to other public services. The Commission report recommended a reconstitution of Fire and Rescue Authorities so as to hold Chief Fire Officers (CFOs) to account and strengthen the governance and scrutiny of strategic service and financial decisions. Each CFO would be given legal responsibilities for planning, managing and delivering an effective Fire and Rescue Service for the relevant area. This Commission recommendation will require primary legislation. The proposals we make below to create larger more resilient Local Authorities through mergers would, in any case, require us to consider how these changes affected the constitution of Fire and Rescue Authorities.

**Q: How might governance and scrutiny of strategic service and financial decisions of Fire and Rescue Authorities be best secured?**

## How can we give people a stronger voice in decisions affecting them? - Community Governance

47. The Commission recognised the voice of the citizen, either directly or mediated through effective representation, must be harnessed as a force for improvement but there was widespread recognition that processes and practices for doing so were sporadic, inconsistent and often ineffective. We agree. People need a clear and powerful voice to help shape local

services, and we believe strengthened community governance is also essential for strong democracy. This requires a strong and coherent voice which impacts upon decision-making in Local Authorities, and ensures services are designed and delivered in a way which reflects the needs of communities as a whole, as well as individual service users.

48. Town and Community Councils are one element of community governance, but the Commission's recommendations also acknowledge the value of emerging neighbourhood management approaches. We do not believe these approaches are incompatible with each other. However, we do believe there are important factors, such as the distinctive and valued role of the ward Councillor in Principal Authorities, and Principal Authority Area Committees, which require further examination. This is set against a background where many communities are being empowered to act for themselves outside traditional democratic governance models, through community action and regeneration groups, and through use of modern technology.

49. We agree with the Commission about the need for reform and improvement. We agree some Town and Community Councils are too small, and lack capacity and capability. As an initial step, we will consider whether any Principal Authority Areas in Wales would benefit from a review of their Communities and arrange for either the Principal Council or the Local Democracy and Boundary Commission for Wales to conduct these. However, we believe the role of Town and Community Councils must be considered in the context of larger Principal Authorities and the role of ward Councillors within those Authorities. We do not want to recreate a two-tier system of Local Government in Wales. Our proposals in the Well-being of Future Generations (Wales) Bill for local well-being plans, and the many other ways in which communities come together to create an effective voice for their needs and concerns, must also be considered. Therefore, we will issue a further paper this Autumn in order to consult with stakeholders and communities on options for strengthening community governance so it is effective and fit for purpose for the 21st Century.

**Q: What suggestions do you have to ensure communities have an effective voice in the decision making of the new Authorities?**

**Q: What sort of consultation, engagement and feedback processes should the new Authorities have with communities?**

## Partnership and Collaboration

50. If we are to tackle many of the current and future delivery challenges we face, Local Authorities – however many there are and whatever their size – will need to continue to work together, with other parts of the public sector, and with other partners (including the Third Sector). Collaboration and partnership working will remain essential if the public are to receive the services they can reasonably expect. Whilst some services are best delivered at a very local level, others require investment or expertise which cannot be replicated in every local community. We continue to believe in the value of collaboration, and in the principle of public bodies working in partnership wherever there are benefits in doing so. Local Authorities have a critical role, as the local democratic heart of collaboration across public services.

51. The Commission recognised the importance of collaboration, because delivery challenges are rarely contained within organisational or geographical boundaries. However, it also considered voluntary collaboration had not driven change forward at the pace required, and had in some cases added to complexity by creating a further set of processes to be followed and relationships to manage, which could themselves divert attention away from delivery.

52. The Welsh Government has encouraged and invested in local collaboration, but has never considered collaboration to be an end in itself. We believe there is a need for greater pace and commitment in progressing collaborative initiatives. There have been good examples of collaborative activity delivering benefits (both financially and in terms of improved delivery), but we do not believe partners have taken all the opportunities available. It is the role of Government to set the strategic outcomes, and for partnerships then to deliver these outcomes.

53. In 2011, Local Authorities and the Welsh Government agreed a programme of collaborative activity and projects to drive service improvement.<sup>7</sup> We agree some of these service reconfigurations have taken too long to implement, and have been hampered by excessive discussion and consideration by those involved, at the expense of action. The final report on the implementation of the programme, published in October 2013, set out those proposals for regional service delivery which are considered to be worth pursuing, following the business cases developed by the projects. We agree with the Commission that implementation of those remaining collaboration proposals should fall within the same governance arrangements as the main programme for Local Government mergers, once these are in place. We are also commissioning an evaluation of funding streams which supported collaborative working, which will report at the end of 2015 and will provide evidence on outcomes for public services, for service users, and any impact on the wider public.

54. Local Service Boards (LSBs) are partnerships where the leaders of local public and Third Sector organisations come together to take collective action to ensure public services are effective, and focused on the needs of people and communities. We firmly believe LSBs have (and will continue to have) a vital role in bringing local public service organisations together, but we recognise there is scope for further improvements, as highlighted by the Commission. For this reason, provisions for the reform of LSBs will form a key part of our Well-being of Future Generations (Wales) Bill. The Bill will implement the key recommendations of the Commission by:

- putting LSBs on a statutory footing, comprising senior representatives from each organisation, with consistent and more effective governance arrangements;
- requiring LSBs to prepare local well-being plans to identify local priorities which need multi-agency action, based on an analysis of need and engagement with the area's people and communities;

<sup>7</sup> A Compact for Change between the Welsh Government and Welsh Local Government, December 2011 <http://wales.gov.uk/topics/improving-services/publicationevents/publications/compact/?lang=en>

- requiring the plans to set out the actions necessary to achieve the priorities, by whom and when;
- placing local well-being planning within the wider framework of national well-being goals and indicators set by the Bill, ensuring local well-being plans implement the sustainable development principles of long-term thinking, integration, collaboration, prevention and citizen engagement;
- ensuring the LSB is held to account, and monitored for the effectiveness of its well-being plan and its governance arrangements by a designated Local Government democratic scrutiny committee.

## National Partnership arrangements

55. We agree the Partnership Council for Wales (PCfW) and the Public Service Leadership Group (PSLG) need to be reviewed and reformed to reflect the new model of public services.<sup>8</sup> We also agree the PCfW should own the programme of work required to implement the reforms we set out in this paper. Our intention is for the PCfW to provide political accountability and leadership for many of the elements of the new public service reform agenda, including Local Authority mergers. We envisage it will be supported by a number of sub and advisory groups, designed to focus on particular technical aspects of the merger process. The details of these work-streams will be developed in consultation with PCfW. We believe the current remit of PCfW, as set out in the Government of Wales Act 2006, is sufficiently broad to accommodate the refocused purpose we envisage.

### **Q: How can we best engage with Local Government to take forward a programme of Local Government reform?**

## How do we ensure Local Government performance is improving and continues to improve?

56. Identifying ways in which to improve the performance of public services was one of the core aims of the Commission's work. The Commission has presented strong evidence about how complex arrangements for performance management have distracted services from the central purpose of helping the people of Wales to enjoy better lives.

57. Performance reporting arrangements have often grown in an unmanaged way and we agree a more focused approach is required. However, even the best performance information,

<sup>8</sup> The Partnership Council for Wales (PCfW) promotes joint working and cooperation between Welsh Government and Local Government. It is chaired by the Minister for Local Government and Government Business, and its key responsibilities are:

- encouraging dialogue between the Welsh Ministers and Local Government on matters affecting Local Government in Wales; and
- providing collective political accountability for action to improve the effectiveness and efficiency of public services.

The Public Service Leadership Group (PSLG) provides national leadership for collaboration. It too is chaired by the Minister for Local Government and Government Business, and comprises senior leaders from across public services in Wales.

on its own, does not improve performance. This only happens when the right information is used effectively – to diagnose where there is room for improvement, to inform decisions, to shape solutions, to monitor progress and to measure impact. And this relies not just on having the right information and the analytical capability to interpret and challenge it, but on setting performance information and management within a context of clear strategic purpose, priorities and direction.

58. The Welsh Government’s Programme for Government (PfG) remains central to our strategic approach to improving performance and delivery. It represents a real commitment to delivery, and a move away from an approach of measuring success which placed too much emphasis on the amount of money spent, or the number of policies implemented, rather than the impact Government is actually having on people’s lives. The Commission recognised the importance of Government setting out its strategic outcomes and how progress should be assessed. However, it found current measurement frameworks are complex, and considerable effort is needed to make an assessment of progress from the performance information which arises from them.

59. We believe the Well-being of Future Generations (Wales) Bill will provide the framework for achieving clarity of purpose for the longer term, and thus will be the first step towards delivering improvements. The Bill will establish a smaller set of national well-being goals, and a process by which public service organisations will need to demonstrate how they have sought to achieve those goals.

60. The more effective performance management regime the Commission calls for across the whole public sector would represent an ambitious system-wide change. Grasping the opportunity presented by this Bill is a starting point for reform, and we intend to make further early progress by formulating principles and standards for performance management to apply across the public sector in Wales.

61. In the meantime, we want to see Local Authorities taking full responsibility for the performance of their services, for promoting well-being through preventative as well as reactive action, and for corporate improvement, with scrutiny committees providing effective challenge to how their Authority performs. The onus should be on Authorities actively identifying and responding to emerging issues of performance or governance, before they are highlighted by auditors or inspectors. We know this happens in some Authorities for some service areas, but it is by no means widespread. Too often it appears there is only an effective response to a service or governance issue once it has been formally identified by inspectorates or by the WAO. We intend to review the Local Government (Wales) Measure 2009 to see whether there is scope for it to be changed so as more effectively to support service improvement, and to ensure the relationship between self assessment and external inspection is made clearer.

62. We also want to see Local Authorities providing information in an accessible and transparent way to their communities, to enable those communities to be informed about and engaged in the way their services are managed. This requires a commitment to openness from leaders and senior officers, but it also requires a strong and capable strategic function within each Authority. This will require proper investment in the leadership and analytical capacity and capability needed to interpret evidence, to identify the longer term trends in well-being which Authorities

should be seeking to address and to formulate ways of dealing with them. We recognise smaller Authorities may find it difficult to support and retain the necessary capacity and capability, but larger and merged Authorities should find it easier to do so. This will also support more effective local scrutiny by Elected Members.

63. Outcome indicators and performance measures will continue to be an important part of managing and improving Local Government performance. However, we intend to put in place clear and shared outcomes, which focus more effectively on longer term improvements in people's well-being. We also intend to reduce the complexity of service-level performance measurement. We also want Local Authorities to make better use of qualitative information about how services are performing, which might for example mean using focus groups, or looking at what the nature of complaints says about what people think of a particular service, as well as what the performance measures say about whether service-level targets are being met.

64. The Welsh Government currently makes a significant investment to support Local Authority improvement, through a variety of interventions and initiatives. We intend to review the way in which we use such funding, to see how we can more effectively support Authorities in focusing on prevention and longer term well-being, as well as on service improvement and good governance.

**Q: How can we help and encourage Local Authorities to be more proactive in identifying and responding to delivery or governance issues?**

**Q: What should be the principles and standards for performance management and performance reporting across Local Authorities, and the broader public sector?**

**Q: In what ways could we more effectively use the money we invest in supporting Local Authority improvement?**

## Reforming Local Government - Merging Local Authorities

65. We have begun to set out above a vision for the future of Local Government, based on healthy democracy, robust scrutiny and governance, and continued collaboration and partnership wherever appropriate. However, we cannot ignore the fundamental challenges of sustainability, scale and capability facing our Local Authorities, and we do not believe it is feasible to continue with 22. We therefore accept the Commission's recommendations to reduce the number of Authorities through mergers, and the remainder of this paper provides more detail about how we intend to begin the process of doing so.

## What is the case for reducing the number of Local Authorities?

66. The Commission has set out a compelling case for a reduction in the number of Local Authorities. The remit did not require them to do this, nor did the Commission begin with any preconceptions about how Local Government should be structured. It is clear it has come to this conclusion based on the evidence it gathered in the course of its work.



67. In its consideration of the scale and capability of public service organisations, the Commission recognised smaller organisations do not necessarily provide worse services. However, it did find areas where small scale creates risk to governance and delivery. It also found these risks necessarily arose more often in Local Authorities than other public service providers because of the breadth of their work. The Commission was very clear structural changes alone will not result in the public services we want, but they are a necessary part of the change which needs to happen.

68. The Commission has highlighted the lack of resilience in smaller organisations, making it more difficult to effectively manage internal and external risk and adapt to a changing environment. Smaller organisations may lack expertise across the breadth of the area of their work, due to a lack of demand or resource for specialists in all areas. Depth of capacity is also more challenging in smaller organisations, which may also struggle to manage both the strategic and operational challenges they face. The Commission stressed the importance of leadership, but found it is harder for smaller organisations to recruit and retain high-calibre leaders.

69. The Commission recognised economies of scale exist in Local Government, and corporate overheads and the unit costs of delivering certain services are necessarily higher in smaller Local Authorities. This means larger Authorities are able to provide frontline services more efficiently because these costs are lower. In the present context of unprecedented pressure on service budgets, the Commission argued realising any potential savings in overheads and unit costs is essential.

70. The Commission considered how well Local Authorities are likely to manage future challenges, as well as current ones. Demographic changes in the next 20-25 years will not be equal across Wales; the Commission found smaller Authorities are more likely to experience a decline in population and a higher relative age of residents. Smaller Authorities will experience a greater increase in demand for services and lower levels of resources to support this increased need.

71. As a result of the pressures smaller Authorities are facing on funding, leadership, and expertise, the Commission found it is more difficult for them to respond flexibly to emerging pressures, or to have capacity to innovate. As a result, the Commission suggested smaller organisations tend to focus on providing day-to-day services in established ways, making service improvement more difficult. As the pressures of increasing demand and decreasing resources become more severe, the need for innovation and flexibility will be greater. The Commission believed smaller Authorities will find it very difficult to meet this need.

72. The Commission also found the risks smaller organisations face cause risks for the whole system. A large number of smaller organisations lead to greater competition for the best leaders, managers and professionals. As a result, the Commission found talent in Wales is being spread too thinly. And organisations which operate on a larger scale, such as the NHS and the police, have to work with many Local Government partners, making partnership working more challenging. To minimise the risks of scale Local Authorities have collaborated to achieve

the necessary capacity and expertise, but significant management capacity is required if this collaboration is to be successful, which smaller Authorities may not have.

73. The Commission was clear the status quo is not a viable option for the future delivery of public services in Wales. The Commission considered options for structural reform including more extensive and permanent collaboration; returning to a two-tier structure, and mergers. The Commission found voluntary collaboration had progressed only slowly in Wales, and suggested it has not delivered the benefits which were hoped for. It found a two-tier structure would add complexity, and cost, and would spread leadership more thinly. The Commission therefore did not recommend either of these options. It recommended Local Authority mergers, on the basis local democracy would be maintained, and resilience would be increased, with the least possible impact on delivery of front-line services during transition.

74. In making specific recommendations for mergers, the Commission argued Local Authorities must be big enough to minimise the risks of small scale, but not so big as to become unmanageable, unrepresentative, or too distant from their communities to have an effective relationship with them. The Commission took into consideration several criteria which could affect the ability of Local Government to respond to the needs of citizens and communities. These included shared heritage and culture, particularly language; levels of deprivation; population density; council tax levels; and patterns of commuting and economic growth.

75. The Commission also sought to enhance coherence and coterminosity between Local Authorities and other major service-providers. The Commission recommended mergers should take place within the boundaries of larger organisations, such as Local Health Boards and police forces, to reduce the number of Local Authorities those organisations have to work with. The Commission felt this was particularly important to support the integration of health and social care. The Commission also argues it would be unwise to combine areas which currently qualify for EU convergence funding with those which do not, as this could risk those which currently qualify losing eligibility for future funding.

76. The Commission was very clear in recommending mergers rather than any redrawing of boundaries. It will be much quicker and easier to plan for and implement mergers, and achieve the benefits, without the more significant disruption and cost which would result from redrawing boundaries.

77. The Commission recognised the strength of local identities, but creating new administrative units need neither create new loyalties and senses of community, nor destroy old ones. The Commission received a lot of evidence arguing “people do not care who delivers a service as long as it is a good service” and the Commission concluded structural change is needed, in order to deliver services which meet the needs of people and communities now and in the future.

78. We accept the Commission’s assessment, and its recommendation for a reduction in the number of Local Authorities through a programme of mergers. As we have described above, we want to create Authorities which are fit to meet the challenges of the 21st Century. In particular, we want them to manage excellent, high-performing services, resilient enough to

cope with increasing demand. We want them to be better connected and more representative of our communities. We also want them to be able to support Elected Members effectively.

79. In addition, they need to be able to adapt to new challenges through innovation, fully exploiting the opportunities presented by digital technology and communications, and to be able to access and retain the necessary specialist skills and knowledge. All of these attributes are essential in our increasingly complex and fast-paced world.

80. However, there is compelling evidence some Authorities are simply too small to be able to meet these challenges. We recognise there is a wide range of views about how Local Government should be restructured to make it more resilient, and able to meet the challenges of the future, but we believe there is wide (if not unanimous) agreement something has to change: the status quo is not an option, and the number of Authorities has to be reduced. The next section of the paper focuses on how we intend to achieve this.

## The future shape of Local Government

81. Reducing the number of Authorities through a process of mergers avoids many of the complexities and challenges which would be associated with a redrawing of boundaries, but it nonetheless represents a significant undertaking. We do not believe there is sufficient time to develop, plan and legislate for a full programme of mergers before the next National Assembly elections in May 2016.

82. A Bill to merge Authorities will not therefore be introduced to the National Assembly during this Assembly term, which ends in April 2016. However, we do intend in Autumn 2015 to publish a draft Bill for consultation, which will set out our intentions for the merging of Authorities. This draft Bill will be accompanied by a detailed draft Regulatory Impact Assessment setting out the rationale for our preferred merger options, as well as impact assessments covering Equality, the Welsh Language, Rural Proofing and the Rights of the Child as appropriate. This will provide the public, Authorities and others with the opportunity to comment on our proposals, informed by a full assessment of the likely impacts, costs and benefits. The Welsh Government which takes office in May 2016 will then be in a position to make early decisions on how it wishes to proceed, with the benefit of a developed legislative proposition, and assisted by a full understanding of the views of stakeholders.

83. As stated above, we intend to issue this draft Bill for consultation in Autumn 2015. However, we want to provide clarity now about this Welsh Government's current intentions for the future shape of Local Government in Wales.

84. As we have said, the Commission undertook extensive research and evidence gathering on public service delivery structures, including considering a wide range of responses to its calls for evidence from public service providers and users. As a result of this and its assessment of the evidence, it identified four potential options for merging authorities, leading to between 10 and 12 Local Authority areas. It argued that reducing the number of Local Authority areas to at most 12 was the minimum extent of mergers necessary to systematically address problems of scale. We agree with the Commission's assessment and its judgement on the upper limit

for the number of Local Authority areas. Of the four options presented we consider that the Commission's first option, leading to 12 Local Authorities, provides a coherent overall template and strikes a balance between building organisational capability and ensuring local democratic responsiveness, in terms of being more connected with, and representative of, their communities.

85. In setting out a preference in relation to its options, we note the Commission's powerful argument that the boundaries of merged Local Authorities should support integrated service delivery through aligning with health board and police force boundaries. In our view the strength of the argument is such that there would have to be an exceptional case made not to adhere to this principle. In addition, the Commission argues convincingly that the reforms should be based on mergers to avoid the upheaval involved in splitting existing Authorities. This argument is well made and we are clear that existing Authorities must not be split, but rather used as "building blocks" to create the stronger, more resilient Authorities we are seeking. The Commission also identified an issue of alignment with the West Wales and the Valleys 'convergence' area, which has links to EU funding and state aid allowances. This last point may be a relevant consideration, though in our view it should not override a strategic, long-term case for mergers, particularly if the Local Authorities involved accepted the issues and potential risks.

### Commission on Public Service Governance and Delivery: Mergers Option 1

- Isle of Anglesey and Gwynedd
- Conwy and Denbighshire
- Flintshire and Wrexham
- Ceredigion and Pembrokeshire
- Neath Port Talbot and Bridgend
- Rhondda Cynon Taf and Merthyr Tydfil
- Cardiff and the Vale of Glamorgan
- Blaenau Gwent, Caerphilly and Torfaen
- Monmouthshire and Newport
- Carmarthenshire
- Powys
- Swansea

86. Since the Commission reported, some Local Authorities have suggested they might prefer alternative merger configurations, although we have not seen any specific proposals backed up by evidence and supported by all the existing Local Authorities affected directly and indirectly. As we develop the legislation necessary to underpin a programme of mergers, we will remain open to considering possible alternatives, but it would be vital that any alternative proposal matches the key principles described above. We would expect that if an alternative proposal – particularly if it were to be one seeking to make an exceptional case to the principle of alignment with health board and police force areas – is supported by all Local Authorities directly and indirectly affected, their commitment to the proposal would be reflected in a commitment by them to early, voluntary mergers.

87. Proposals for draft legislation establishing the new merged Authorities will be the subject of formal consultation at the appropriate time. However, as both the Commission and Local Authorities themselves have said, early clarity is important in minimising uncertainty and realising the benefits of change sooner. In view of the compelling strategic case for urgent action, we are clear there is no place for procrastination nor parochialism in this process. We will therefore continue to develop the programme of mergers at pace. This will include allowing Local Authorities which wish to merge voluntarily on the basis of the preferred option indicated in this document – or a worked up alternative which addresses the key issues outlined above – to do so more quickly. Provision for early voluntary mergers will be included in legislation which we will introduce into the Assembly early next year, and a ‘prospectus’ setting out how we will help and what we expect from those Local Authorities wishing to merge voluntarily will be published this summer. We outline more detail about voluntary mergers below.

88. We recognise the benefits of consistent boundaries across public service organisations to support effective partnership working for the benefits of the citizens of Wales. As the Commission recommended, we will consider the boundary between the South Wales and the Mid and West Fire and Rescue Authorities, taking account of mergers between Local Authorities.

## What are the timescales for mergers?

89. We will be setting out detailed programme and governance arrangements for the programme of mergers in due course, but the key milestones are likely to include:

- In January 2015, we will introduce into the Assembly a first Bill which will provide the powers necessary to enable and facilitate important preparatory work for a programme of mergers, but it would not contain specific merger proposals. Details of the proposed content of the first Bill can be found below.
- The proposed new powers would, amongst other things, enable the Welsh Ministers to require the Local Democracy and Boundary Commission for Wales (LDBCW) to start work on considering and making recommendations for electoral arrangements for proposed new Authorities.

- It is anticipated, subject to this first Bill being passed by the Assembly, it would receive Royal Assent in November 2015.
- In Autumn 2015, we will publish a second Bill in draft for consultation. This second Bill would in due course establish the new Authorities to be created through merger.
- Shortly after the May 2016 elections to the Assembly we will introduce this second Bill into the Assembly, and subject to Assembly consideration we envisage the Bill would receive Royal Assent in Summer 2017.
- In May 2017, Local Government elections (postponed from May 2016) to the existing Local Authorities would take place (but see below). Councillors elected to Authorities which are to be merged will serve a term of three years. Councillors of continuing Authorities (i.e. those unaffected by merger) will serve a term of five years.
- Elections to Town and Community Councils would take place on the same day in May 2017.
- In May 2019, the first elections for the new Authorities, merged under the provisions of the second Bill, would be held, with Councillors elected for three year terms. The resulting Councils would exist as Shadow Authorities<sup>9</sup> until Vesting Day on 1 April 2020, when they would assume full functions, with the old constituent Authorities abolished.
- In May 2022, full Local Government elections for all Authorities would be held, for a proposed term of five years.

90. We believe this timetable is ambitious but achievable, and balances the need to move at pace with the need to ensure we get it right. In parallel, the governance arrangements we will establish for mergers will oversee a comprehensive programme of work necessary to deal with the wide range of practical, logistical and financial questions which will need to be addressed. We will work in partnership with Local Government and other stakeholders to deliver this programme of work, and we will consult closely with them about the range of matters which will need to be determined.

## Voluntary mergers

91. We set out the main proposed milestones for the main programme of mergers. However, the Commission also recommends the Welsh Government should support and incentivise those Authorities who wish to begin a voluntary process of merger. We agree, and we are committed to facilitating voluntary mergers in whatever way we can.

92. Firstly and importantly, we will make specific legislative provision in the first Bill which will allow willing and committed Authorities to move at pace. Our proposals for this are set out

<sup>9</sup> Shadow Authorities would have responsibility for matters which have to be determined before a new Authority formally comes into being, such as agreeing a budget and setting a council tax for the first year, appointing staff, developing service delivery plans, acquisition and disposal of assets, and establishment of committees. The precise scope of a Shadow Authority's functions would be set out in subordinate legislation, using powers included in the Bill to be introduced at the beginning of the next Assembly.

below, and we believe this will enable these new Authorities to be in place by April 2018. A possible timetable for Authorities who wish to merge voluntarily would look like this:

- The first Bill introduced to the Assembly in January 2015 would include a power for the Welsh Ministers to merge Authorities who wish to do so voluntarily.
- Authorities wishing to voluntarily merge must submit detailed expressions of interest by November 2014 and fully developed cases for merger by June 2015 to the Welsh Ministers for consideration. The Authorities and Welsh Ministers will work together in considering the cases to enable Authorities to submit statements of confirmation of intention to proceed to voluntary mergers by November 2015. The Welsh Ministers will, by February 2016, develop the necessary subordinate legislation for approval by the Assembly.
- There would be no elections in May 2017 to Authorities merging voluntarily. Instead, the subordinate legislation providing for voluntary merger would extend the terms of existing councillors to May 2018.
- In October 2017, a shadow Authority and shadow Council for the merging Authorities would be established, consisting of the full body of serving Councillors on the constituent Councils. Its functions in preparing for the creation of the new Authority would be specified by Order.
- Vesting day for the new voluntarily merged Authorities would be 1 April 2018. First elections to the new Authorities would then be held in May 2018, based on new wards following an electoral review of the whole of the new Authority, with new Councillors assuming responsibility four days after the elections. They would serve for four years, until a full round of Local Government elections take place in May 2022.
- Elections and terms for Community and Town Councils in Authorities which merge voluntarily will be changed to coincide with the arrangements for establishing the new merged Authority.

93. We would thus provide early legislative certainty for these Authorities, and the pace and voluntary nature of merger will reduce the need for many of the transitional provisions we believe will be essential for mergers more widely. It would mean one fewer set of elections en route to the new structures, the stability of an additional year for existing Councils to plan for transition, and a more limited period of shadow operation, based on existing Councils. Those who move early should be fully vested two years ahead of remaining Authorities, allowing them more quickly to realise efficiencies, and to begin to accrue the savings which can then be reinvested in better services.

94. However, our offer is more than simply introducing legislation. We will continue to expect all Authorities to seek improvement through service and back office redesign; but we will consider providing additional support to those who propose to merge voluntarily and continuing Authorities to act as pilots and pathfinders for the constitutional and service transformation we wish to see. This could also involve testing of approaches to workforce challenges such as the harmonisation of Terms and Conditions, equal pay agreements, and pension arrangements. We will also consider providing practical support to early movers who are prepared to act as

'model' Authorities, developing innovative approaches to scrutiny and public engagement, to increased democratic participation, and to greater diversity of representation.

95. Together, these incentives would provide Authorities with an opportunity to shape themselves for the future, show their ability to innovate, and take some key decisions which put them ahead of other Authorities.

96. The Commission sets out a persuasive case for reducing the complexity faced by Local Government, and for funding arrangements which are simpler, and focused on achieving outcomes. The Commission also calls for our ongoing review of audit, inspection and regulation to identify ways to reduce complexity and deliver greater focus, and we know this is a matter of keen interest for many Local Authorities.

97. We agree with the Commission's findings, and we believe there is scope to go further. Just as we seek greater powers through devolution of responsibilities from the UK Government, our ambition is to pass powers and responsibilities to Local Authorities wherever appropriate. However, this requires Authorities of sufficient scale to be able effectively and sustainably to take on these additional responsibilities. So Authorities merging early have the potential to work with us to achieve more quickly the increased autonomy envisaged by the Commission.

98. We will work with Authorities who wish to merge voluntarily to determine in more detail what support and assistance we can provide, in order to help them move toward early mergers. In the meantime, we intend this Summer to issue a 'prospectus' for voluntary mergers, which will set out what we expect from Authorities who wish to merge voluntarily, and how we will help.

**Q: Do you have specific suggestions for powers and responsibilities which could be considered for devolution to the new Authorities?**

### Facilitating and incentivising voluntary merger

99. The Commission recommends incentivisation of early candidates for voluntary merger; we agree, and we have set out above some of the non-legislative mechanisms by which we intend to achieve this. We consider the Welsh Ministers already have powers which would enable them to incentivise and provide support for voluntary mergers, but, if need be, will propose taking new powers through the first Bill.

100. In order to give legal effect to voluntary mergers, the first Bill will include powers to enable the Welsh Ministers to merge two or more Local Authorities to form a single new Authority, from a date to be specified. The Bill will set out the procedure and timescale for initiating and considering proposals for voluntary merger. The Bill will also make provision about the exercise of the powers for voluntary merger, so as to make clear in any exercise of the power:

- The date a new Authority comes into existence, and its name and status;
- Electoral arrangements for a new Authority, the date of first elections and the length of term of office for Councillors elected in first elections and thereafter;



- Establishment, composition and functions of shadow Authority and shadow Executive;
- Abolition of existing Authorities and standing down of Councillors of these Authorities;
- Cancellation of elections to current Authorities;
- Postponement of Community Council elections in areas affected by proposed merger and extension of terms of sitting Community Councillors;
- Duty on existing Authorities to collaborate in preparing for new Authority and to work with its shadow Authority or Executive; and
- Set out arrangements for achieving the timely transfer of property, the continuation of rights and liabilities;
- Staff matters; and
- Financial matters.

**Q: Does anything else need to be covered in a power to achieve a voluntary merger?**

**Q: Is your Authority considering submitting a proposal for voluntary merger?**

### Local Authority electoral wards

101. The Local Democracy and Boundary Commission for Wales (LDBCW) will have a crucial role in considering and making recommendations for electoral arrangements for the merged Local Authorities.

102. The LDBCW needs sufficient time to review an individual Local Authority, research the circumstances of an area, consider the views of local communities, draw up and publicise proposals and consult fully before submitting recommendations. This process takes on average at least 18 months. The existing legislation does not allow the LDBCW to start work on reviewing a new Authority until the new Authority has been formally established. This would mean a lengthy delay before the first elections could be held for the new Authority. Our proposal is to take powers in the first Bill to enable the LDBCW to start its work as soon as we have been able to confirm our intention to establish a new Authority.

103. The first Bill will therefore make provisions to enable the LDBCW to start considering and making recommendations in respect of proposed new Authorities. We intend the first Bill to provide the Welsh Ministers with powers to require the LDBCW to consider and make recommendations:

- for electoral arrangements for proposed new Authorities which are the subject of proposals for voluntary merger;

- for electoral arrangements for proposed new Authorities as described in an instructions given to the LDBCW. This would be in preparation for the second Bill which would be introduced during the next Assembly term.

104. The first Bill will also amend the Local Government (Democracy) (Wales) Act 2013, so the LDBCW's statutory review cycles take account of the creation of new Authorities.

**Q: Is there anything else we need to do in order to ensure LDBCW is able to effectively consider and make recommendations for electoral arrangements in the proposed Authorities?**

### Remuneration of Elected Members

105. The Independent Remuneration Panel (IRP) will need to have considered and made determinations on levels of payments to members of proposed new Authorities, in readiness for these Authorities to come into being. However, it can currently make determinations only in respect of payments to members of established Authorities. Therefore, the first Bill will also include provision to enable the IRP to start work early to make determinations about payments to be made to members of new Local Authorities and shadow Authorities. Specifically, the new powers will enable the IRP to

- Consider and make determinations for payments to be made to members of proposed new Local Authorities to be established by merger, whether voluntarily or by virtue of the second Bill;
- Consider and make determinations for payments to be made to members of shadow Authorities for proposed new Local Authorities;
- Set the maximum proportion of payments to be made to members of shadow Authorities who are also members of existing Local Authorities, in order to ensure such members are not paid twice for doing essentially the same job.

**Q: Is there anything else we need to do in order to ensure the IRP is able to effectively consider and make recommendations for payments to councillors in the proposed merged Authorities and any preceding shadow Authorities?**

### Disposal of property and assets

106. During the reorganisation which followed the Local Government (Wales) Act 1994, a Residuary Body was established to divest and distribute Local Authority assets. This was necessary because the 1994 reorganisation reduced Local Government to a single tier and involved the redrawing of boundaries. A Residuary Body was required to deal with issues where there was no obvious successor Authority, such as the distribution or disposal of property which served more than one area, or involved functions provided by different bodies; or land or buildings which straddled the boundaries of two or more Authorities. As the current proposals are for mergers of existing Authorities, with no redrawing of boundaries, we do not anticipate

any requirement for the divesting and distributing of property and assets. However, provision to enable or require merged Authorities to realise asset-related savings may be required. We therefore will consider including in the first Bill a power enabling the Welsh Ministers to provide assistance to new Authorities on these issues.

**Q: Do you agree the proposed power for the Welsh Ministers will be sufficient for disposal of property and assets? If you do not agree the proposed power will be sufficient, what specific problems do you envisage?**

**Q: What sort of assistance or guidance might Local Authorities need?**

### Collaboration, cooperation and preparation in advance of mergers

107. To help facilitate the joint planning between merging Authorities which will be essential as they prepare for merger, we intend to include in the first Bill a power to enable the Welsh Ministers to require Local Authorities to establish joint transition committees to ensure they co-operate and work together for the specific purpose of jointly planning and preparing for merger.

108. The power would enable the Welsh Ministers to specify certain required preparatory tasks for the joint transition committees, for example to scope out the existing service delivery arrangements, workforce structures, properties and other assets across the merging Authorities. The power would also allow the transition committees to consider any other matter which they consider necessary to prepare effectively for the new Authority.

**Q: Is there anything else which should be specified for joint transition committees to do in preparing for a merger of their Authorities?**

109. We also intend to include in the first Bill provision to prevent activities by current Authorities, shadow Authorities or new Authorities which might bring financial or reputational damage to any new Authority. This is likely to include:

- Restrictions on current Authorities to prevent prejudicial or inappropriate disposal of land or buildings;
- Restrictions on current Authorities to prevent them entering into prejudicial or inappropriate long-term contracts;
- Restrictions on the use of reserves;
- Extending to shadow Authorities the requirements in the Localism Act 2011 to prepare and publish pay policy statements;
- Extending to shadow Authorities the existing powers in the Local Government (Democracy) (Wales) Act 2013 for the IRP to make recommendations about salaries of Chief Executives;

- Extending the existing powers in section 141(2) of the Local Government Act 1972 to enable the Welsh Ministers to require a Shadow Authority to provide information within its possession (to inform any purpose linked to a merger).

**Q: What other powers might the Welsh Ministers require to prevent damaging behaviour?**

### Staffing matters

110. We do not believe reducing the number of Local Authorities through mergers will create as many staffing and workforce issues as has been the case when Local Government has been reorganised. We also know some Authorities already face difficult decisions about their workforce regardless of any structural changes to Local Government, as the competing pressures of reducing resources, increasing demand and rising expectations require changes to the ways frontline services are delivered. Nonetheless, we recognise these changes will be unsettling for the Local Government workforce, and there will be staffing matters requiring action and resolution.

111. We therefore intend to establish a Staff Commission to advise the Welsh Ministers on staff matters related to proposed Local Government mergers. As a minimum, we envisage the Staff Commission needing to provide authoritative advice and guidance on workforce matters. Initially, we will establish the Staff Commission on a non-statutory basis. However, we intend as part of the second Bill to put the Commission on a statutory footing. We envisage the second Bill would:

- Set out the status and composition of the Staff Commission;
- Define its remit, primarily the provision of advice to the Welsh Ministers, current Authorities, shadow Authorities, and new Authorities on specified matters relevant to the merger of Local Authorities;
- Provide the Staff Commission with powers it requires in order to fulfil its statutory functions, such as a power to require an existing Local Authority to supply it with information;
- Give powers to the Welsh Ministers to enable them to give directions to the Staff Commission, and to direct an authority to act on the advice of the Staff Commission.

112. We will consider further how the work of the Staff Commission might be aligned with the Welsh Ministers' existing powers to issue guidance on pay policy statements under section 40 of the Localism Act 2011, and the IRP's responsibilities in respect of Chief Executives' pay in section 143A of the Local Government (Wales) Measure 2011.

**Q: What should be the role and responsibilities of the Staff Commission?**

**Q: Is anything else needed to prepare the way for merging Local Authorities?**

## Financial considerations – the costs and benefits of merging Local Authorities

113. The potential cost of merging Local Authorities has attracted a great deal of comment since the Commission published its report. We understand this, and the Commission and the Welsh Local Government Association (WLGA) have produced very different estimates of the possible costs, to which we return below. However, it is essential to put any cost implications into context.

114. Firstly, the Commission sets out starkly the severe and unsustainable financial pressures on our public services. These pressures are likely to continue for at least the next decade, whilst the demand for some services increases. Faced with these challenges, inaction is not an option. Costs will rise in any event as services begin to buckle under the strain. Neither can we afford to wait until a more favourable financial climate returns before we act.

115. Secondly, the severe financial pressures also mean it is not realistic to expect the Welsh Government to provide large injections of cash to meet the cost of mergers as central Government has often done in the past when Local Government has been restructured. One of the principles guiding these mergers must be to manage them in such a way to maximise the benefits and minimise the costs.

116. Thirdly, we have always been clear this is not just about pounds and pence. It is about improved performance, better governance, and stronger democracy, as well as making better use of limited resources. Efficiency and value for money are very important, but they are not the sole yardstick by which we will measure success.

117. The WLGA, based on work it commissioned from Deloitte, estimated the cost of mergers at between £200 million and £400 million, with recurrent annual savings of between £92 million and £100 million. The Commission examined the WLGA figures and concluded for a number of reasons they overestimated both the costs and potential savings. The Commission suggested the upfront costs might be between £80 million and £100 million, with recurrent savings of £60-£80 million per year.

118. The substantial variance in these figures is not surprising: the estimates of costs depend on the assumptions made in producing them, but as there is no precedent for the merger programme we are proposing, it is not possible to determine with certainty whether either approach is appropriate. However, we do recognise the need to assess the potential costs and benefits as far as reasonably practicable, and we will produce a draft Regulatory Impact Assessment which will accompany the draft Bill we intend to publish in the Autumn.

119. In the meantime, some important points need to be made. We have to put any potential costs of merger in the context of the £8 billion which Local Government in Wales spends every year. The WLGA's upper cost estimate equates to around 0.5% of this annual expenditure. In addition, Local Authorities will have a key role in ensuring these up-front costs are minimised. Some costs may be unavoidable, but other costs can be avoided or managed down, particularly if Authorities start to take account now of the likelihood of mergers as they make budgetary

decisions, and do not make decisions which will generate unnecessary future costs. This means thinking very carefully for example before entering into new arrangements, and before making major spending decisions about accommodation and other assets.

120. Our overall aim is to help create Authorities fit for the 21st Century, and to create a new model for Local Government which will last at least a generation. In this context, even if mergers were to cost £400 million (the WLGA's upper estimate) and recurrent savings were £92 million (the WLGA's lowest estimate), this still suggests a direct payback period of under five years, for the creation of Authorities which we hope will last at least 25 years and which will deliver more effective services. We believe this represents a more than acceptable return on investment.

## Local Government Funding – how local services are funded in the future

121. Local Government in Wales spends over £8 billion a year (revenue and capital) in delivering services. This spending is funded from a number of sources. These include Welsh Government general and specific grants, other grants, council tax and non-domestic rates income, fees and charges, receipts and borrowing. The largest single source is the Welsh Government's Revenue Support Grant (RSG) which currently contributes around £3.3 billion.

122. The various parts of the Local Government finance system operate as a whole and are closely interdependent. It is also closely connected to the way policing in Wales is funded. As such, it is not feasible to redesign parts of the system in isolation. We will need to review the system to ensure the funding arrangements serve new merged Authority structures. In particular, we will explore the scope to develop stronger links between funding, performance and the delivery of the strategic outcomes identified through the Well-being of Future Generations (Wales) Bill. This will mean looking at what Local Government does and how this needs to adapt to reflect the new financial environment. We will also seek to simplify the current funding arrangements where this is practicable and to ensure Local Government's funding and budgeting arrangements are more inclusive and transparent.

123. There are also a number of other relevant developments which will be happening in parallel, not least the Financial Reform agenda and devolution of selected taxes set in train by the first report of the Silk Commission on Devolution in Wales, and its second report on the National Assembly's legislative powers. The other business of Government will also continue during this period and it is likely our legislative programme will continue to introduce new powers and duties for Local Government. The scale and nature of these developments bring great opportunities, but they also bring significant risks if the financial implications are not fully considered and addressed. As such, we do not anticipate making major changes to the main features of the Local Government finance system in advance of legislation. There are certain aspects of the current system which we already recognise will warrant particular attention.

## Local Government Funding – Council Tax

124. In addition to overall costs, the prospect of Local Authority mergers has also provoked much comment about the likely impact on levels of council tax. Again we understand this: although council tax represents a small proportion of the overall tax ‘take’, it is one of the very few taxes which people are charged directly, as opposed to taxes which are deducted from salaries, or are included within the cost of goods or services. It is also a tax which can vary considerably, depending on where someone lives and in what kind of property. The Commission recognised council tax as being an important factor, and one of particular interest to the public, when developing its proposals for merger.

125. We do not believe it would be helpful to speculate on the precise impact on council tax at this stage. The current funding arrangements take account of a wide range of indicators which fluctuate from year to year. Any estimates produced at this stage are likely to be misleading, given we do not anticipate any mergers taking effect until at least April 2018.

126. Nonetheless, it is very important to recognise whilst there may be local impacts on council tax levels, there should be no need for the overall council tax requirement to increase as a consequence of mergers. Indeed, mergers should be implemented to deliver efficiencies where possible. Since it is unrealistic to expect a repeat of the large injections of new money which were provided during previous restructures to limit the impact on individual Authority council tax levels, we will, instead, be looking for solutions which avoid creating and/or minimise significant local impacts.

**Q: What would be the most equitable approach to raising revenues for local services?**

## Local Government Funding – Welsh Government Support

127. When considering the potential impacts of mergers, we understand much attention will focus on council tax, as we have described above. However, a far greater proportion of the revenue available to Local Authorities is provided by the Welsh Government, through the RSG. This is distributed using a needs-based distribution formula, which is developed in consultation with Local Government.

128. A programme of mergers will require the development of a new basis for distributing this funding, to take account of the social and economic characteristics of all Welsh Authorities. It may be possible to retain the existing distribution for the merged Authorities for a limited time, but this is not likely to be sustainable in the longer term. We will therefore work with Local Government and others to develop the needs-based mechanism for distributing Welsh Government funding.

129. We also recognise what the Commission had to say about the degree to which funding is earmarked (“hypothecated”) for particular purposes. However, the performance challenges outlined by the Commission and reflected elsewhere in this document mean this cannot simply be a question of immediately de-hypothecating all existing funding streams. As mentioned earlier, we will take the opportunity to review our approach to funding with a view to making

it simpler and more accessible, and focused on outcomes, with clear responsibilities and accountabilities for delivering those outcomes.

## Conclusion

130. In this paper, we have attempted to set out our ambitions for Local Government in Wales in the 21st century. We want high performing, well-run Local Authorities which operate transparently and openly, which plan effectively, and make best use of the resources available to them, resources which will continue to face significant pressure in the years to come. We also want a proper relationship between those who provide a service and those who rely on it, through stronger local democracy and more effective scrutiny. We know this will not be easy: all our public services face complex and unprecedented challenges, as the Commission has described. The merging of Local Authorities is an essential part of delivering this vision, but done in isolation, mergers will deliver nothing. We are clear these reforms are a package.

131. The Welsh Government cannot deliver the change we need on its own – we need Local Authorities, other public services, and communities themselves to work together. We also need views on whether our vision is the right one, and suggestions on how it could be further developed.



### Consultation Response Form

Your name:

Organisation (if applicable):

email / telephone number:

Your address:

## The future of Local Government – what should we expect of Local Authorities?

**Question 1:** How can Local Authorities engage more effectively with their communities, about the challenges of sustaining services as they are currently delivered and the need for change?

**Question 2:** What more could the Welsh Government do to assist Authorities with this dialogue to improve their performance in the delivery of priority services?

**Question 3:** What specific suggestions do you have for reducing and simplifying administration which would free up time and resources to deliver and improve services?

## Reforming Local Government – Strengthening democracy, sustaining and improving services

**Question 4:** What specific changes should be made to the way in which Local Authorities are currently constituted to ensure openness, transparency and clarity of accountability?

**Question 5:** How should the scrutiny support programme be shaped to support improvements in the effectiveness of scrutiny?

**Question 6:** In what other ways should scrutiny be strengthened to drive service improvement?

## Scrutiny and Governance – Fire and Rescue Authorities

**Question 7:** How might governance and scrutiny of strategic service and financial decisions be best secured?

**Question 8:** What suggestions do you have to ensure communities have an effective voice in the decision making of the new Authorities?

**Question 9:** What sort of consultation, engagement and feedback processes should the new Authorities have with communities?

## National Partnership arrangements

**Question 10:** How can we best engage with Local Government to take forward a programme of Local Government reform?

## How do we ensure Local Government performance is improving and continues to improve? – Improving Performance

**Question 11:** How can we help and encourage Local Authorities to be more proactive in identifying and responding to delivery or governance issues?

**Question 12:** What should be the principles and standards for performance management and performance reporting across Local Authorities, and the broader public sector?

**Question 13:** In what ways could we more effectively use the money we invest in supporting Local Authority improvement?

## The future shape of Local Government

**Question 14:** Do you have specific suggestions for powers and responsibilities which could be considered for devolution to the new Authorities?

## Facilitating and incentivising voluntary merger

Question 15: Does anything else need to be covered in a power to achieve a voluntary merger?

Question 16: Is your Authority considering submitting a proposal for voluntary merger?

## Local Authority electoral wards

Question 17: Is there anything else we need to do in order to ensure LDPCW is able to effectively consider and make recommendations for electoral arrangements in the proposed Authorities?

## Remuneration of Elected Members

**Question 18:** Is there anything else we need to do in order to ensure the IRP is able to effectively consider and make recommendations for payments to councillors in the proposed merged Authorities and any preceding shadow authorities?

## Disposal of property and assets

**Question 19:** Do you agree the proposed power for the Welsh Ministers will be sufficient for disposal of property and assets? If you do not agree the proposed power will be sufficient, what specific problems do you envisage?

**Question 20:** What sort of assistance or guidance might Local Authorities need?

## Collaboration, cooperation and preparation in advance of mergers

**Question 21:** Is there anything else which should be specified for joint transition committees to do in preparing for a merger of their Authorities?

**Question 22:** What other powers might the Welsh Ministers require to prevent harmful damaging behaviour?

## Staffing matters

**Question 23:** What should be the role and responsibilities of the Staff Commission?

Question 24: Is anything else needed to prepare the way for merging Local Authorities?

## Local Government Funding – Council Tax

Question 25: What would be the most equitable approach to raising revenues for local services?

## Other issues

Question 26: We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them:

Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here:





## DEMOCRATIC SERVICES COMMITTEE - 17TH SEPTEMBER 2014

**SUBJECT: SOCIAL MEDIA PROTOCOL FOR ELECTED MEMBERS**

**REPORT BY: INTERIM HEAD OF LEGAL SERVICES AND MONITORING OFFICER**

---

### **1. PURPOSE OF REPORT**

- 1.1 To seek the views of the Democratic Services Committee on the draft Social Media Protocol for Elected Members set out in Appendix 1 to this report.
- 1.2 To recommend to Council the adoption of the Social Media Protocol.

### **2. SUMMARY**

- 2.1 The draft protocol at Appendix 1 is intended to clearly set out how Elected Members ought to interact with social media both as Councillors and private individuals. In this respect, Part 2.1 of the Protocol refers to the use of social media by Elected Members.
- 2.2 The draft protocol seeks to restrict the use of social media by Elected Members during meetings as set out in part 2.1.5 of the protocol.

### **3. LINKS TO STRATEGY**

- 3.1 As part of the Council's Communications Strategy, the Council recognises the opportunities that social media can deliver in terms of reputation enhancement, engaging with residents and other interested parties using their platform of choice, encouraging greater two-way dialogue and the insights that social media can provide. If managed appropriately the use of social media as a communications tool for elected members could benefit both the Council and stakeholders from all sections of the community.

### **4. THE REPORT**

- 4.1 Social media is a collective term used to describe online media, which offer easy ways to publish content online and also to facilitate and participate in online conversations, which may invite the posting of comments or contributions or otherwise invite discussion.
- 4.2 Social media can involve social networks eg facebook; professional networks eg LinkedIn; content communities sites eg Flickr and Youtube; blogs eg via sites such as Wordpress and Blogger; micro-blogging sites eg Twitter.
- 4.3 Whilst it is recognised that social media can play an important part in the operation of a democratic society by offering positive opportunities for the Council to engage with the citizens of Caerphilly, it is apparent that the use of social media also presents the Council and elected members with certain risks and challenges and can potentially result in breaches of the Code of Conduct.

- 4.4 It is therefore important that elected members recognise the risks associated with social media and ensure it is not used in a way that breaches the Code of Conduct.
- 4.5 It is intended that the Councils Standards Committee will have regard to the Protocol when determining allegations of breach of the Code of Conduct involving the use of social media.
- 4.6 The draft protocol at Appendix 1 is intended to clearly set out how Elected Members ought to interact with social media both as Councillors and private individuals. In this respect, Part 2.1 of the protocol refers to the use of social media by Elected Members. The draft protocol also seeks to restrict the use of social media by Elected Members during meetings as set out in part 2.1.5 of the Protocol.
- 4.7 Members are asked to provide their views on the draft Protocol and to recommend to Council that the Protocol be adopted.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 There are no equalities implications in respect of this report

## **6. FINANCIAL IMPLICATIONS**

- 6.1 There are none directly arising from this report

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are none directly arising from this report.

## **8. CONSULTATIONS**

- 8.1 The Report reflects the views of the listed consultees.

## **9. RECOMMENDATIONS**

- 9.1 Subject to the views of the Democratic Services Committee to recommend to Council that the Social Media Protocol set out in Appendix 1 is adopted

## **10. REASONS FOR THE RECOMMENDATIONS**

- 10.1 To provide Elected Members with guidelines when using social media.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 2000

Author: Gail Williams Interim Head of Legal Services and Monitoring Officer  
Consultees: Stuart Rosser, Interim Chief Executive  
Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer  
Councillor C Forehead, Cabinet Member HR & Governance/Business Manager  
Angharad Price, Head of Democratic Services

Appendices:  
Appendix 1 Draft Social Media Protocol



## Caerphilly County Borough Council

### Draft Social Media Protocol For Members

#### 1. Introduction

##### 1.1 Definition Of Social Media

- 1.1.1 Social media is a collective term used to describe online media, which offer easy ways to publish content online and also to facilitate and participate in online conversations, which may invite the posting of comments or contributions or otherwise invite discussion.
- 1.1.2 Social media can involve social networks (e.g. facebook); professional networks (e.g. LinkedIn); content communities sites (e.g. Flickr and Youtube); blogs (e.g. via sites such as Wordpress and Blogger); micro-blogging sites (e.g. Twitter). Social media can be accessed by a variety of digital equipment, such as laptops, smart-phones and tablets, which can also be used to capture audio-visual information.

##### 1.2 Scope

- 1.2.1 This protocol is intended to set out clearly how Elected Members ought to interact with social media, both as County Councillors and private individuals. The Protocol provides guidance concerning the permissible use of social media by Elected Members during meetings.
- 1.2.2 The protocol does not relate to Officers of the Council who are covered by separate ICT policies.
- 1.2.3 The use of social media by Elected Members is covered by part 2.1 of the Protocol.
- 1.2.4 The use of social media by Elected Members during meetings is discussed in 2.1.5.

##### 1.3 Background

- 1.3.1 Social media can play an important part in the operation of a democratic society by offering positive opportunities for the Council and its Elected Members to engage with the citizens of Caerphilly. For example, social media can be an efficient and cost effective way for the Council to keep in touch with residents and businesses. Elected Members can also effectively use social media to interact with constituents and support local democracy. It has been demonstrated that, when used effectively, social media can engage those who would not otherwise participate in local politics or interact with their Elected Members.
- 1.3.2 It is apparent that the use of social media also presents the Council and its Elected Members with certain risks and challenges. In particular, the use of social media by

Elected Members can potentially result in breaches of the Code of conduct. Therefore, it is important that Elected Members recognise the risks associated with social media and ensure that they do not use social media in a way which breaches the Code of Conduct.

- 1.3.3 It is intended that the Council's Standards Committee will have regard to the Protocol when determining allegations of breach of the Code of Conduct involving the use of social media.

## **2. Social Media & The Council**

### **2.1 Use Of Social Media By Elected Members**

- 2.1.1 It is likely that the use of social media by Elected members may include participation in Council sponsored media, such as blogs, use made in a private or seemingly private, capacity through a private account, anonymous participation with, or contribution to blogs, forums or other social media sites.
- 2.1.2 Members are bound by the terms and conditions of the individual social media sites. In addition, Members should recognise that their use of social media could be covered by the Code of Conduct, and it is likely that any failure to comply with the law and user agreements of the sites could constitute a breach of the Code of Conduct. In particular, Members should also avoid using social media in a way, which suggests bias and predetermination.
- 2.1.3 In addition to issues covered by the Code of Conduct, Members are reminded that their use of Social Media can have implications in general law, which for an Elected Member may have serious consequences.
- 2.1.4 It is suggested that the potential difficulties arising from the use of social media can be avoided if the information published by members is objective, balanced, informative and accurate. The effects of publishing information online can be long lasting, as access to online published content is pervasive and effectively published in perpetuity.
- 2.1.5 Members should not use social media during meetings. The restriction extends both to making contemporaneous comments on other individuals or issues and accessing social media during meetings.
- 2.1.6 In addition, Members should seek to avoid giving others the impression that they are not fully attentive to the proceedings of a meeting. This can be done by ensuring that mobile devices are used sparingly and discreetly during meetings.
- 2.1.7 Members should avoid using mobile devices to send or receive information which is not connected with the matters under consideration in the meeting. Use made of mobile devices to send or receive private messages or email during meetings ought to be reasonable and discreet. Chairs should reprimand any Member whose use of mobile devices during meetings is deemed to be excessive.
- 2.1.8 The following paragraphs of the Code of Conduct will apply to the use of social media and other online behaviour. The rights of Members under Articles 8 and 10 (Schedule 1) of the Human Rights Act 1998 have been considered.
- 2.1.8.1 Paragraph 5.4(a) "carry out your duties and responsibilities with due regard to the principle that there should be equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion".

Members should ensure that their use of social media does not breach the Council's principles of equality. Discriminatory statements are also likely to

be unlawful.

2.1.8.2 Paragraphs 5.4(b) "*show respect and consideration for others*".

Members should be aware that whilst political comments and the expression of political opinions and arguments are not stifled by the Code of Conduct, it is likely that personal remarks aimed at an individual could be seen as disrespectful and could constitute a breach of the Code.

Members are reminded that their use of social media could result in the libel of another individual. This also applies if a Member with a personal social media site allows any individual to publish libellous content on it.

2.1.8.3 Paragraph 5.4(c) "*not use bullying behaviour or harass any person*"

Members should be cautious when making personal comments about individuals and social media should never be used to review and discuss the performance of Council staff. The Council will not tolerate any anonymous use by members of social media, which is deemed to bully or harass any person.

Members who maintain a blog or networking site (such as Twitter) should be aware that the comments of others on those sites could be attributed to the member by association. Members should ensure that defamatory or obscene comments are removed from their personal sites.

2.1.8.4 Paragraph 5.5(a) "*disclose confidential information or information which should reasonably be regarded as being of a confidential nature, without the express consent of a person authorised to give such consent, or unless required by law to do so*".

Members should always be certain that information they discuss or disclose on social media sites is not confidential and that it is proper to do so. Members should remember that information placed on a website, whether anonymously or not, which could only have been obtained by a member is likely to fall under the Code.

Members should never publish the personal data of individuals on social media sites in breach of the Data Protection Act 1998.

Members should avoid breaching copyright by publishing images or text on a social media site, which is the intellectual property of another person.

2.1.8.5 Paragraph 10(2)(c)(1) *Personal interests "or any person with whom you have a close personal association"*.

Various terms are used to define online contacts and associations on various social media sites. These terms include "friends" (Facebook) and "followers" (Twitter). Members should be aware that any person they include as a contact on social media site should be regarded, for the purposes of the Code of Conduct, as a close personal associate. Members should be cautious that their use of social media sites does not give the perception that a conflict of interests exists. It is advisable that Members, when creating their own content on social media sites, seek to emphasise the distinction between business content and pages containing personal content.

2.1.8.6 Paragraph 12(1) Prejudicial interests "*...a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interests*".

Members should be cautious that their use of social media sites does not give the perception that they have a prejudicial interest in any matter.

- 2.1.9 Elected Members are bound by the code of conduct if they use social media to conduct Council business or are representing the Council. However, an Elected Member could be open to allegations that he/she acted in breach the Code of Conduct if the use made of social media was inappropriate and that he/she was not conducting official business, but merely claiming or giving the impression that he/she was acting in an official capacity.
- 2.1.10 Anonymous use of social media by Members can also lead to a breach of the code where it can be demonstrated that a Member uploaded the site content and that they were acting in their capacity as a Member.
- 2.1.11 In order to determine whether a Member was acting in an official capacity, it would be necessary to consider the context of a Member's use of social media, taking into account such factors as:
- The public profile of a Member, which can result in a reasonable assumption being made that the Member was acting as a County Councillor
  - The privacy settings on her social media site or blog. It is a member's responsibility to ensure that appropriate privacy settings are in place. If constituents can access a Member's post they may make the reasonable assumption that the Member is acting in an official capacity;
  - Members should seek to enable other users of social media to avoid any misunderstanding over the official status, or otherwise; of the Member's contributions.
- 2.1.12 Members should avoid discussing council business on a personal social media site, or make remarks about others. It is not adequate for Members to subsequently claim that any disputed posts were made in a private capacity.



This page is intentionally left blank





## **DEMOCRATIC SERVICES COMMITTEE – 17TH SEPTEMBER 2014**

**SUBJECT:        PROTOCOL FOR THE WEBCASTING OF COUNCIL MEETINGS**

**REPORT BY:    ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

- 
- 1.1     The attached draft report is due to be considered at the meeting of full Council on the 7th October 2014. The Democratic Services Committee are asked to comment on the proposed report and webcasting protocol prior to the final report being considered by full Council.

Author:        J. Jones, Democratic Services Manager.

Appendices:

Appendix 1    Draft Council Report - Protocol for the Webcasting of Council Meetings.

This page is intentionally left blank



## DRAFT - COUNCIL

**SUBJECT: IMPLEMENTATION OF ELECTRONIC VOTING AND WEBCASTING OF FULL COUNCIL MEETINGS**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER**

---

### **1. PURPOSE OF REPORT**

- 1.1 To seek agreement to begin webcasting meetings of full Council.
- 1.2 To approve the draft 'Protocol for Webcasting of Council Meetings' attached at appendix 1.
- 1.3 To implement electronic voting.
- 1.4 To agree that minutes of webcast meetings only record procedural matters and decisions made.
- 1.5 To agree consequential changes to the Council's constitution.

### **2. SUMMARY**

- 2.1 The Council accepted a Welsh Government grant of £40,000 to implement the webcasting of council meetings and allow Members to attend meetings remotely. The decision to implement remote attendance was a matter for local choice within the provisions of the Local Government (Wales) Measure 2011 and therefore full Council agreed to preclude the implementation of remote attendance on 10<sup>th</sup> June 2014. The acceptance of the Welsh Government grant is dependant on the implementation of webcasting.
- 2.2 Full Council approved the recommendations resulting from the Wales Audit Office's Report in the Public Interest on 23<sup>rd</sup> April 2013. To ensure the recommendations were fully implemented, the Council approved an "Improving Governance Action Plan", including the following recommendations:
  - 'The electronic voting system available in the Council Chamber must be used for all council meetings held in the Council Chamber'.
  - 'The Council's intention to start webcasting council meetings is welcomed. In preparation for this new innovation Democratic Services should review its style of recording minutes to ensure consistency. Given the increased transparency that webcasting will provide it is acknowledged there maybe a difference in style between meetings that are webcast and those that are not'.
  - 'Following each meeting of full Council, the voting record (listing the way each Member has voted) must be published on the Council's website'.

2.3 This report sets out the framework for implementing webcasting and electronic voting.

### **3. LINKS TO STRATEGY**

3.1 To ensure the Council complies with the terms of the Welsh Government's grant for webcasting and remote attendance. The implementation of webcasting will provide improved public engagement opportunities in the Council's decision making process

### **4. THE REPORT**

4.1 A webcast is an unedited audio and visual recording of a meeting which is available via the Council's website to view either live or in an archive format. The Council Chamber has 3 fixed cameras and a new audio visual system which will enable the webcasting of a full Council meeting. The webcast recordings of council meetings will be available in date order on the Council's website for 18 months.

4.2 The Council has let a 3 year contract with Public-i, a leading webcasting supplier, for the hardware, software and electronic storage of webcast recordings. The equipment is installed in the Council Chamber and will be operated by a Democratic Services team member. All parts of a Council meeting will be recorded with the exception of discussions of 'exempt' reports which contain confidential information as defined by Schedule 12A of the Local Government Act 1972.

4.3 A 'Protocol for the Webcasting of Council Meetings' is attached as appendix 1. The appendix outlines guidance for those attending full Council meetings (including Members, officers and members of the public) and associated procedures which will be included in the Council's constitution.

### **5. IMPLEMENTATION OF ELECTRONIC VOTING**

5.1 Full Council approved a report on 11<sup>th</sup> March 2008 to amend the Council's Constitution to provide for voting to be undertaken electronically. The hardware and software to support electronic voting was unreliable and as such, it was not possible to implement the decision to move to electronic voting in the Council Chamber. The Audio Visual equipment has recently been replaced, therefore the Council is able to implement its decision to use electronic voting at meetings of full Council.

5.2 The implementation of the electronic voting system for meetings held in the Council Chamber will improve transparency of decision making. Webcasting will provide a complete and unedited video and audio public record of council meetings where non exempt matters are discussed. The electronic voting system will also automatically display in the Chamber how each Member has voted and generate a hard copy of how each Member has voted. This record will subsequently be published on the Council's website the day after each meeting. Therefore, the minutes of webcast meetings need only to contain a record of procedural matters and decisions made. The current format of minuting meetings that are not webcast will continue unaltered.

### **6. PROCEDURE FOR VOTING**

6.1 Members and Officers benches have an individual control panel containing a microphone, LCD screen and buttons to allow Members to vote 'Yes', 'No' or 'Abstain'. The electronic voting system has been configured such that only Members control panels have the ability to vote.

- 6.2 To ensure there is a consistent approach for the operation of electronic voting, it is recommended that the following procedure is adopted by Council:
- a. The Chief Executive or Monitoring Officer will confirm the motion to be voted upon and declare the outcome of the vote.
  - b. The vote will be open for 20 seconds and Members must cast their vote in this time. Members can change their vote while the vote is open, however, their vote cannot be altered once the vote has been closed.
  - c. The Chief Executive or Monitoring Officer will announce that the vote is closing and confirm the vote is closed after 20 seconds have passed.
  - d. The outcome of the vote will be displayed on television screens in the Chamber. The Chief Executive or Monitoring Officer will check the number of votes cast does not exceed the number of Members in attendance and then announce the outcome of the vote. The vote will only take effect once the outcome is confirmed by Chief Executive or Monitoring Officer.
- 6.3 Should the electronic voting system be unavailable or breakdown during a meeting, voting will revert to being undertaken by a show of hands.
- 6.4 The Mayor shall have the casting vote in the event that the vote is tied. The Mayor's casting vote shall be made verbally.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 An additional member of the Democratic Services Team will be required to operate the electronic voting and webcasting systems. These duties can be absorbed from the existing staffing compliment.

## **8. EQUALITIES IMPLICATIONS**

- 8.1 Approving the recommendations of this report supports improved accessibility of Council proceedings for members and the public, regardless of individual circumstances and backgrounds. This report therefore supports the Council's Strategic Equality Objectives 3, 4, 5 and 7 (Physical Access, Communication Access, Engagement and Participation, Corporate Compliance).

## **9. FINANCIAL IMPLICATIONS**

- 9.1 A Welsh Government grant of £40,000 has been received to assist with the implementation of webcasting. The grant is sufficient to meet the costs of webcast for 4 years. It is expected that the ongoing costs associated with webcasting will require additional resources.

## **10. CONSULTATION**

10. There are no consultation responses that have not been included in this report.

## **11. RECOMMENDATIONS**

- 11.1 That Council approve:
- a. The implementation of webcasting meetings of full Council. It is anticipated that the system is tested over the next 2 months and implemented thereafter.

- b. The draft 'Protocol for Webcasting of Council Meetings' and in particular the change to the Council agenda, notices to be displayed inside and outside of the Council Chamber and the Mayor's announcement, attached at appendix 1.
- c. The implementation of electronic voting begins at the same time as webcasting begins subject to a successful trial over the next few meetings. In the interim, a trial of electronic voting is undertaken at meetings of full Council, however, Members continue to make decisions by a show of hands.
- d. That minutes of webcast meetings only record procedural matters and decisions made.
- e. Consequential amendments to the Council's constitution arising from the implementation of electronic voting and webcasting and delegate this responsibility to the Monitoring Officer.

## **12. REASONS FOR THE RECOMMENDATIONS**

- 12.1 To implement electronic voting and webcasting of meetings of full Council.

## **22. STATUTORY POWERS**

- 22.1 Local Government and Housing Act 1989, the Local Government Act 2000, Local Government Wales Measure 2011.

Author Jonathan Jones, Democratic Services Manager, Tel 01443 864242  
Jonesj16@Caerphilly.gov.uk

Consultees: Chris Burns, Interim Chief Executive  
Sandra Aspinal, Acting Deputy Chief Executive  
Dave Street, Corporate Director of Social Services  
Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer  
Gail Williams, Interim Head of Legal Services and Monitoring Officer  
Angharad Price, Interim Deputy Monitoring Officer  
David Thomas, Senior Policy Officer (Equalities and Welsh Language)  
Cllr Keith Reynolds, Council Leader  
Cllr C Forehead, Cabinet Member for Human Resources and Governance/Business Manager

Background Papers: Cabinet Report dated 16<sup>th</sup> April 2014 entitled 'Renewal of Audio and Visual Equipment for the Council Chamber

Appendices: Appendix 1 Protocol for the Webcasting of Council Meetings.



# PROTOCOL FOR THE WEBCASTING OF COUNCIL MEETINGS

## INTRODUCTION

### Purpose

This protocol provides guidance for those attending full Council meetings (including members, officers and members of the public) and associated procedures which will be included in the Council's constitution.

In addition, the protocol aims to ensure that the Council is compliant with its obligations under the Data Protection Act 1998 and the Human Rights Act 1998.

### Webcasting

The Council has agreed it will webcast meetings of full Council held in the Council Chamber, Penallta House.

A webcast is an unedited audio and visual recording of a meeting which is available via the Council's website to view either live or in an archive format.

The main purpose of webcasting is to give members of the public the chance to view meetings as they happen without having to attend in person

The webcast recordings of council meetings will be available in date order on the Council's website for 18 months.

### Webcasting Notices and Signage

It is important to ensure that those attending a meeting of full Council are aware that the meeting is being recorded and webcast. A notice will appear on the relevant meeting agenda and a sign will be displayed inside and outside of the Council Chamber to ensure those attending understand the meeting is being webcast.

The following notice will appear on the relevant agenda:

*This meeting will be filmed and made available to view in live and archive form via the Council's website. The whole of the meeting will be filmed, except for discussions involving confidential or exempt items. The webcast will be available for 18 months from the date of the meeting at [www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)*

*It is possible that the public seating areas could be filmed and by entering the Chamber you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting purposes.*

*If you have any queries please contact the Democratic Services Manager by email [jonesj16@caerphilly.gov.uk](mailto:jonesj16@caerphilly.gov.uk) or telephone 01443 864242.*

The following sign will be displayed inside and outside of the Council Chamber:

#### *Webcasting Notice*

*Please note that Caerphilly County Borough Council will film this meeting and it will be made available to view in live and archive form via the Council's website.*



*It is possible that the public seating areas could be filmed and by entering the Chamber you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting purposes.*

*If you have any queries please contact the Democratic Services Manager by email [jonesj16@caerphilly.gov.uk](mailto:jonesj16@caerphilly.gov.uk) or telephone 01443 864242.*

## **Members and Officers Consent**

There is a presumption that Members and officers give their consent to being filmed and for their images to be webcast.

## **Public Speakers**

Representatives from other organisations or members of the public being presented or speaking at a meeting of full Council will be informed in advance that the meeting will be filmed and made available for viewing in live or archive format via the Council's website.

## **Announcement at Start of Meeting**

At the start of each meeting to be filmed, an announcement will be made by the Mayor or Chair to the effect that the meeting is being webcast. The suggested announcement is as follows:

*I would like to remind everyone present that this meeting is being filmed and made available to view in live and archive form via the Council's website. If you are seated in the public gallery it is possible that the cameras may capture your image and you are deemed to be consenting to being filmed and your image and sound recordings webcast.*

## **Use of Microphones**

Microphones must be turned on before speaking to ensure their voice is recorded and can be heard on the webcast recording.

## **Suspension of Recording**

All parts of a Council meeting will be recorded with the exception of discussions of 'exempt' reports which contain confidential information as defined by Schedule 12A of the Local Government Act 1972.

The Mayor or Chair of the meeting has the discretion to request the termination or suspension of the webcast if in the opinion of the Mayor or Chair continuing to webcast would prejudice the proceedings of the meeting or, if the Mayor or Chair, on advice, considers that continued filming might infringe the rights of any individual. This would include:

- (i) Public disturbance or other suspension of the meeting;
- (ii) Exclusion of public and press being moved and supported under relevant legislation;
- (iii) Any other reason moved and seconded and supported by full Council.

## **Removal of Archive Recordings**

Archived webcasts or parts of webcasts shall only be removed from the Council's website if the Monitoring Officer considers that it is necessary because all or part of the content of the

webcast is or is likely to be in breach of any statutory or common law provision, for example Data Protection and Human Rights legislation or provisions relating to confidential or exempt information.

If the Monitoring Officer has decided to take such action the officer will notify all Councillors in writing as soon as possible to explain the reason(s) for the decision. It is anticipated, however, that meetings will be conducted lawfully and that the need to exercise this power will occur only on an exceptional basis.

## **Language**

Webcast recordings will be broadcast in the language used in the Council chamber. Any requests for simultaneous translation will be considered by the Monitoring Officer if made at least 5 days prior to the meeting date.

## **Minutes of Council Meetings**

The Council produces minutes of full council meetings and they are the formal record of Council meetings. Minutes of webcast meetings will only record procedural matters and decisions made. In the event that the webcasting equipment fails or webcasting is suspended during a meeting the minutes will also contain a summary of the debate preceding any decision.

## **Copyright**

The webcasts and archived material and its copyright therein, remain the property of the Council, and the right to copy, issue, rent, perform, communicate or adapt any of the webcast or archived material is restricted as follows:

(i) Subject to (ii) and (iii) below, any person may copy and use webcast material or part thereof providing that the facility is not used in a way that otherwise breaks the law.

(ii) The use of any webcast involving the alteration or editing of the material which results in changing the message or context without the prior written approval of the Monitoring Officer is not permitted.

(iii) The use of webcast for commercial purposes involving re-use of the material is not permitted without the prior written approval of the Monitoring Officer.

## **Other Recording of Meetings**

This protocol only applies to meetings of full Council and does not affect the Council's existing restrictions on photography, filing or recording of other Council meetings. No other form of photography, filing or recording of full Council meetings is permitted.

## **Code of Conduct**

Members and officers are reminded that their code of conduct applies in meetings of full Council.

## **Managing Technical Faults**

If a technical fault develops with the webcasting equipment, the Mayor or Chair will agree a

short recess to enable the problem to be resolved. If after 15 minutes the problem still exists, the meeting can continue irrespective of it not being recorded.

This page is intentionally left blank