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County Hall
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Usk
NP15 1GA

Friday, 24 March 2017

Notice of meeting / Hysbysiad o gyfarfod:

Democratic Services Committee

**Monday, 3rd April, 2017 at 2.00 pm,
Council Chamber - Council Chamber**

AGENDA

Item No	Item	Pages
1.	Apologies of absence	
2.	Declarations of Interest	
3.	Public Open Forum	
4.	To receive the minutes of the meeting held on 23rd January 2017	1 - 6
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9.	New Directions in Democracy	
10.	To note the date and time of next meeting as Monday 5th June 2017 at 2.00pm	

Paul Matthews

Chief Executive / Prif Weithredwr

MONMOUTHSHIRE COUNTY COUNCIL
CYNGOR SIR FYNWY

THE CONSTITUTION OF THE COMMITTEE IS AS FOLLOWS:

County Councillors:

D. Evans
R. Harris
P. Clarke
D. Edwards
J. Higginson
P. Jones
S. Jones
J. Prosser
V. Smith
F. Taylor
A. Webb
S. Howarth

Public Information

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Watch this meeting online

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Welsh Language

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Aims and Values of Monmouthshire County Council

Sustainable and Resilient Communities

Outcomes we are working towards

Nobody Is Left Behind

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

People Are Confident, Capable and Involved

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

Our County Thrives

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation
- Maintaining locally accessible services

Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.
- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

Nodau a Gwerthoedd Cyngor Sir Fynwy

Cymunedau Cynaliadwy a Chryf

Canlyniadau y gweithiwn i'w cyflawni

Neb yn cael ei adael ar ôl

- Gall pobl hŷn fyw bywyd da
- Pobl â mynediad i dai addas a fforddiadwy
- Pobl â mynediad a symudedd da

Pobl yn hyderus, galluog ac yn cymryd rhan

- Camddefnyddio alcohol a chyffuriau ddim yn effeithio ar fywydau pobl
- Teuluoedd yn cael eu cefnogi
- Pobl yn teimlo'n ddiogel

Ein sir yn ffynnu

- Busnes a menter
- Pobl â mynediad i ddysgu ymarferol a hyblyg
- Pobl yn diogelu ac yn cyfoethogi'r amgylchedd

Ein blaenoriaethau

- Ysgolion
- Diogelu pobl agored i niwed
- Cefnogi busnes a chreu swyddi
- Cynnal gwasanaethau sy'n hygyrch yn lleol

Ein gwerthoedd

- **Bod yn agored:** anelwn fod yn agored ac onest i ddatblygu perthnasoedd ymddiriedus
- **Tegwch:** anelwn ddarparu dewis teg, cyfleoedd a phrofiadau a dod yn sefydliad a adeiladwyd ar barch un at y llall.
- **Hyblygrwydd:** anelwn fod yn hyblyg yn ein syniadau a'n gweithredoedd i ddod yn sefydliad effeithlon ac effeithiol.
- **Gwaith tîm:** anelwn gydweithio i rannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd i gyflawni ein nodau.

Public Document Pack Agenda Item 4

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Democratic Services Committee held
at Council Chamber - Council Chamber on Monday, 23rd January, 2017 at 2.00 pm

PRESENT: County Councillor F. Taylor (Chairman)

County Councillors: R. Harris, D. Edwards, J. Higginson, P. Jones,
J. Prosser, F. Taylor and A. Webb

OFFICERS IN ATTENDANCE:

John Pearson	Local Democracy Manager
Nicola Perry	Senior Democracy Officer
Matthew Gatehouse	Policy and Performance Manager
Abigail Barton	Communication and Engagement Manager

APOLOGIES:

Councillors D. Evans, P. Clarke, S. Jones and S. Howarth

1. Declarations of interest

Members agreed to declare interests under the relevant item.

2. Public Open Forum

There were no items for the public open forum.

3. To receive the minutes of the meeting held on 17th October 2016

The minutes were approved and signed by the Chair.

4. To receive the action list of the meeting held on 17th October 2016

We noted the action list.

The Chair advised that there had been no written response to the IRP but she had attended a consultation meeting and would provide an update.

It was requested that the information to be distributed with the Council Tax demand be circulate to Members for information. We were advised that the deadline for the final copy for approval is 9th March 2017.

5. Update on activity: Raising awareness and forthcoming events

There had been an opportunity for anyone interested in standing for election to attend an event in November. There had been representation by a member of all political groups, along with members of the public. An interesting discussion had taken place regarding information on becoming a local member, and some of the possible barriers.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Democratic Services Committee held at Council Chamber - Council Chamber on Monday, 23rd January, 2017 at 2.00 pm

We were advised that election briefings were taking place on 26th and 31st January, for current members, candidates, clerks and agents. The Local Democracy Manager highlighted the areas to be covered at the briefings.

It was suggested that Members circulate the information, or add to their local websites.

We heard of an upcoming event being held at County Hall on 20th February 2017. This would be an opportunity for young people to come to the chamber and gain an understanding of politics in general, as well as an opportunity to think about the links to decisions made by the Council. All Members are invited to attend. Group Leaders have confirmed attendance.

In terms of Community Governance, we were awaiting timescales for a citizens debate, to be facilitated by local groups. This may be held in the next term of Council. Further information would be circulated when available.

The Chair hopes to look at recommendations for the next Democratic Services Committee, with options to take forward.

We noted that there is to be a Senior Leadership Team restructure while Mr. W. Mclean is acting as Interim CYP Lead.

It was suggested that Whole Place Officer and Volunteer Programme Lead be invited to the next meeting. It would be appreciated if officers could present to the Committee detail of who they are engaging with in the democratic process, and how they are making improvements.

We received information regarding purdah, noting that it was expected to commence on 21st March 2017. Further information would be distributed closer to the election.

6. Independent Remuneration Panel - Feedback from consultation events

The Chair had attended a consultation event and relayed the comments of the Committee. The following points were highlighted:

- Members at other Local Authorities receive different levels of additional financial support. This should be looked into and debated by the next Council.
- Members were surprised that the carers allowance had not been increased. The IRP response was that they thought this had been carefully considered. It was thought that being known as 'Costs of Care' could be considered a stigma.
- The Members allowance is not to be increased and is no longer linked to the average wage. It was expressed that there was a need to advise on what basis the levels had been set.
- There is a need for better public understanding surrounding Members expenses.

7. Plans for Councillor Induction

The Local Democracy Manager provided a draft timetable for the upcoming Councillor Induction programme.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Democratic Services Committee held at Council Chamber - Council Chamber on Monday, 23rd January, 2017 at 2.00 pm

Members expressed concern that some training events coincided with half term.

It was suggested that the training sessions should be recorded.

It was requested that, when agreed, the diary is shared with outside bodies.

We heard that guidance would be available in a newly developed Members area on the Hub.

8. Candidate Guides

The Local Democracy Manager advised that an election guide for candidates has been developed, and would be circulated at the upcoming briefing sessions. The information will also be available on the website.

With regards to new Councillors, a 'new starter' pack would be handed out on the night of count. This will include a paper copy of the WLGA New Councillor's Guide, timetable of induction and agendas for the training sessions. Information will be available on the Hub.

Members questioned if there was an adequate number of staff in the election office. It was suggested that assurance be sought from the Returning Officer prior to the next meeting.

9. Wales Audit Office Governance Report

The Policy and Performance Manager presented the Wales Audit Office Governance Report.

The report had already been considered by Audit Committee who have overall responsibility for the performance management arrangements. However there are issues that will be of particular interest to the Democratic Services Committee.

The report concluded that "The Council has made progress in improving its governance arrangements although more work is needed to strengthen the transparency of decision making and recording."

The issues of particular relevance to this committee highlighted in the report include:

- YouTube streaming of meetings increase the transparency of meetings.
- Cabinet meetings are not minuted, this is compliant with in accordance with its Constitution and the Local Government Act 1972. However WAO considers a written record of proceedings to be good governance and practice.
- Poor use of the microphones the chamber results in parts of the records being inaudible.
- The report stressed the importance of minutes being signed at the next suitable meeting in accordance with the Council's Constitution.
- There are positive examples of scrutiny holding Cabinet to account. However the report also includes an example that suggests scrutiny is not always able to effectively fulfil its role
- The relationship between Cabinet and select committees is generally positive.
- Select committees follow an agreed work programme and 'call in' decisions made by Cabinet as appropriate.

The four new proposals for improvement made within the report were:

- Further improve the clarity of reports that members receive to ensure they have access to appropriate and timely information in a format that is easy to read and understand.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Democratic Services Committee held at Council Chamber - Council Chamber on Monday, 23rd January, 2017 at 2.00 pm

- Ensure that decisions are clearly and consistently recorded to provide a reliable, transparent and easily accessible decision-making trail.
- Strengthen scrutiny's impact, status and effectiveness including: formally recording Cabinet responses to scrutiny recommendations and observations and better co-ordination of Cabinet and select committee forward work programmes.
- Ensure that information on the Council's website is accurate, complete and up to date.

Members were invited to comment and the following points were noted:

Members expressed disappointment with the live streaming system and added that issues with the microphones in the Council Chamber need to be addressed. It was suggested that they are checked prior to meetings. The Local Democracy Manager highlighted that Monmouthshire is the only Authority to live stream all their meetings held in the Chamber.

A Member expressed that recording of minutes had improved, providing a clear conclusion and action list.

A question was raised why Cabinet were reluctant to record minutes. It would be of interest to know if other Councils record their Cabinet meetings. We noted that we are more transparent than the report infers.

A Member requested that the report be forwarded to all Members and be further discussed at Coordinating Board. It was noted that the report had been presented to Audit Committee.

A Member suggested that meetings should be shown on televisions in reception area. We noted that this may be a disruption to reception but conversations could be held with IT colleagues to discuss.

It was requested that Member attendance at committees be addressed at the next meeting.

The Local Democracy Manager highlighted areas of progression within the report. In terms of Modern Gov. an extra section is due to be rolled out for officer use. This is on hold and is expected to be rolled out following the election. With regards to live streaming, we live stream more than other authorities, and can stream any meeting held in the Chamber. The library on you tube allows access to all meetings since we began live streaming. Since the introduction of Modern. Gov there has been improvements to the website, but still ongoing improvement.

The Chair concluded:

- We would look at improvements to the quality of sound in the Chamber, eg. Chairs to remind people at the start of meetings, check microphones prior to start of meeting.
- The Policy and Performance Manager would look into the streaming of meetings in the reception area, and respond at next meeting.
- Issues could be addressed at Coordinating Board.
- Responses from Cabinet Members to scrutiny recommendations, as well as recording outcomes of motions and petitions at Council should be considered.

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Democratic Services Committee held
at Council Chamber - Council Chamber on Monday, 23rd January, 2017 at 2.00 pm**

10. **To note the date and time of next meeting as Monday 3rd April 2017 at 2.00pm**

The meeting ended at 3.50 pm

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Independent Remuneration Panel for Wales

Annual Report

February 2017

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Page 7

Foreword

There have been some changes to the membership of the Panel this year. The 2016 Report was the last produced under the leadership of Richard Penn as Chair. I and other members are most grateful for the guidance he gave to the Panel during his tenure of office. We have 3 new members – Julie May who was appointed from 1 January 2016, Sarah (Saz) Willey and Roger Symonds, both appointed from 1 June 2016. Stephen Mulholland and Gregory Owens have been re-appointed as Panel members from 1 January 2017. The full membership is set out below.

We have made some adjustments to the format of the Report which we hope will make the content clearer and more concise.

Specific changes to our determinations include a very modest increase to the basic salary for elected members with consequential increases for National Park Authorities and Fire and Rescue Authorities. This increase of 0.75% is the first for 3 years and follows the slight easing of restraint in the pay of public sector employees.

We are introducing arrangements to recognise the implications of long term sickness of senior salary holders. We have also made changes to provide more flexibility for authorities without undermining the principle of prescribing payments which still has continuing support.

The Local Government (Wales) Act 2015 widened the remit of the Panel to give consideration to proposed changes to the salaries of chief officers of principal councils, effectively an extension of our role in respect of the heads of paid service of councils and Fire and Rescue Authorities. We have made recommendations on several submissions during the year; these can be found in Section 15 of the Report.

I would thank those organisations and individuals who responded to our Draft Report. Each of these has been examined and where considered appropriate, acted on. I would thank my colleague Panel members and also our diligent and committed secretariat for the significant input into our work during the year.

John Bader
Chair

Panel Membership

John Bader – Chair
Gregory Owens - Vice Chair
Stephen Mulholland

Julie May
Saz Willey
Roger Symonds

Detailed information about the members can be found on the website:
<http://gov.wales/irpwsb/home/?lang=en>

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Introduction



This is the ninth Annual Report of the Independent Remuneration Panel for Wales (the Panel), and the sixth published under the requirements of the Local Government (Wales) Measure 2011.

1. As with the Panel's previous Annual Reports its determinations on member remuneration are underpinned by a set of principles set out in Section 1 of this Annual Report.
2. The Panel remains firmly of the view that maintaining the democratic values of local governance cannot be cost-free. Members of local authorities (including co-opted and appointed members) are there to represent the interests of local people, undertake the governance of local communities, and secure value-for-money public services for local tax-payers through effective scrutiny. These are significant and considerable tasks for members of relevant authorities within the Panel's remit. Publicly funded remuneration is made available to encourage a diversity of willing and able people to undertake local governance through their elected, appointed or co-opted roles.
3. The Local Government (Democracy) (Wales) Act 2013 amended the Local Government (Wales) Measure 2011 by inserting Section 143A. This requires that any principal council or fire and rescue authority that intends to change the salary of its Head of Paid Service must consult the Panel unless the change is in keeping with changes applied to other officers. Section 143A also enables the Panel to take a view on anything in the Pay Policy Statement of an authority that relates to the salary of the Head of Paid Service (normally the Chief Executive or Chief Fire Officer). The Local Government (Wales) Act 2015 extended this responsibility, on a temporary basis to Chief Officers of principal authorities. The Panel's approach to its use of these powers is set out in Section 15 of this Report and accords with the guidance issued to the Panel by the Welsh Government.
4. In determining the level of payments to members of local councils, the Panel has sought to meet its principle of '*acceptability*' by ensuring that these are not '*so great as to require a significant diversion of resources from key council priorities*'. But Section 142(8) of the Measure is more explicit on '*affordability*' when it states that "*when setting an amount¹ ...the Panel must take into account what it considers will be the likely financial impact of doing so on relevant authorities*". Meeting the requirement of the Measure in regard to affordability has been a challenge for the Panel, not least because of public interest in the payments made to members. The Panel acknowledges that the issue of affordability – in relation both to relevant authorities' service budgets

¹ <http://www.legislation.gov.uk/mwa/2011/4/contents/enacted>.

and to the electorate's disposable incomes – is likely to exert a powerful impact on the public perception of any increases to members' payments.

5. As a charge on the public purse, payments to members for their time, worth and responsibility must be, and must be seen to be, fair and affordable. The Panel's determinations in its 2009 Report aligned payments to the median gross earnings of all full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE). The basic salary was set at three-fifths of the All Wales Median Salary and senior salaries were set at multiples of this annual median salary. In setting these salaries the Panel recognised that there was an unpaid public service contribution.
6. Because of the financial constraints on the public sector and local authorities specifically it has not been possible to maintain the link with average Welsh earnings. On the original basis of 3/5ths of the average the basic annual salary would be in excess of £14,700. The Panel has been mindful of the financial constraint which is the reason that the basic salary of elected members of principal councils has not been increased since 2013. In reaching this decision account was taken of the freeze in salaries to the staff of councils. There has been a modest relaxation more recently and small increases have been allowed.
7. In view of these factors, the Panel has decided that it is appropriate to provide for a very modest uplift to the basic annual salary of £100 which is approximately 0.75%. No increase is proposed for senior salaries but these post holders will receive the uplift in the basic salary element.
8. While in the current economic circumstances it is not possible to reinstate the link between basic salary and average Welsh earnings, the Panel will, in the future examine possible benchmarks that would be appropriate for the remuneration of elected members.
9. The Annual Report 2016 introduced two levels of salary for members of councils' executives and committee chairs of principal authorities, Fire and Rescue Authorities (FRAs) and National Park Authorities (NPAs). This was to provide flexibility to enable authorities to reflect, in their schedules of remuneration, variations in the level of responsibility of portfolios and chairs. The Panel has examined the schedules for 2016/17 and has established that no principal council has introduced differential payments within cabinets or to chairs of committees.

For members of executives:

- 20 councils have paid at level 1
- 2 councils have paid at level 2

For committee chairs:

- 20 councils have paid at level 1
- 2 councils have paid at level 2

As this has only been in place for one year the Panel is retaining this facility for flexibility to reflect variations in the levels of responsibility in the remuneration applied to specific senior posts. The newly elected councils should consider using this flexibility when determining their cabinet and committee structures.

10. Since the Welsh Government introduced regulations relating to Family Absence of elected members of principal councils, the Panel has incorporated remuneration issues related to such absences in its framework. We have received comments that the same arrangements do not apply to absences caused by long term sickness. We have recognised this and have included in this Report a provision to allow principal councils, NPAs and FRAs to make arrangements to cover cases of long term sickness absence of senior salary holders.
11. The Panel remains concerned about the variation and inconsistency of support provided to members to enable them to discharge their functions effectively. We have repeatedly determined that such support should be provided without cost to the individual elected member, and that the cost of support must be appropriate, reasonable and publicly declared. Deductions must not be made from members' salaries by the authority as a contribution towards those support costs which the authority considers necessary for the effectiveness and/or efficiency of members. However, we are aware that this has not been fully implemented by some authorities. It is intended to undertake a detailed analysis of the Schedules for 2016/17 and the publication information from the previous year and take up any matters of non-compliance individually.
12. The Panel expects that the support provided should include taking account of the specific needs of individual members. The functions of Democratic Services Committees include a requirement to review the level of support provided to members to carry out their duties and the Panel would expect these committees to carry this out and bring forward proposals to the full council as to what is considered to be reasonable. Members of Democratic Service Committees and Heads of Democratic Services indicated at our meetings with them that it would be beneficial for authorities to be proactive in sharing information and establishing benchmarks for levels of provision and good practice in how authorities support the work of elected members. We are unaware whether there has been progress in implementing this proposal.
13. The Panel notes that members have not always utilised the support that has been provided through the Panel's remuneration framework, particularly in respect of the care allowance. Some members are reluctant to claim all that they are entitled to claim in support of their work, particularly the care allowance, because of concerns about the adverse publicity this can attract. Democratic Services Committees should take steps to encourage and facilitate eligible members in claiming these allowances.
14. Care Allowances were available to elected members of principal councils several years prior to the Panel's formation. We have extended the provision

to all relevant authorities. There has been very limited take up across all of the organisations within the remit of the Panel. We believe that the major factor for this poor take up is concerns about adverse publicity on individual members. So we have decided to allow optional approaches to the publication of costs of care. We have also decided to use the term “reimbursement of costs of care” to replace care allowance, as a result of discussion with the WLGA leadership.

15. The Panel reiterates the need for all involved to encourage individual members to access all the available support, including for care, which now includes its provision for members who themselves require personal support and assistance.
16. The Panel has continued to contribute wherever possible to enhancing diversity in local government in Wales through its determinations. To take this a step further the Panel has produced a leaflet for prospective candidates on the remuneration of members of councils. We are aware and pleased that several principal councils have added this leaflet to their websites.
17. Section 153 of the Measure empowers the Panel to monitor relevant authorities’ compliance with its requirements. Although there has been significant reduction in non-compliance within most authorities. The Panel considers that consistency can be improved by the use of a standard pro forma and will consult on this in early summer 2017.
18. However, there are still major issues to be addressed with community and town councils which the Panel will be raising with individual councils and their representative organisations.
19. Since assuming the additional responsibility in respect of changes to the salaries of chief officers of principal councils the Panel has dealt with several submissions. The Panel’s decisions are attached at Section 15.

Implementation of Determinations

Elections for principal councils and community and town councils will take place on 4 May 2017. Section 26(3) of The Local Government Act 1972 determines that on the 4th day following the election persons who were councillors before the election will retire and newly elected members will assume office. Therefore the effective dates for the implementation of the determinations contained in this Report are:

- For principal councils:
 - Basic and senior salary holders - 8 May 2017, (subject to the member having signed the declaration of acceptance).
 - Chairs/Mayor – civic salary is payable where the chair/mayor remains in post until a successor is appointed at the authority's Annual General Meeting following the election²
- For National Park Authorities –With effect from 1 April 2017.
- For Fire and Rescue Authorities – With effect from the Annual Meeting of the Authority.
- For community and town councils - 8 May 2017 (subject to the member having signed the declaration of acceptance).

² Local Government Act 1972 Part 2 Section 22(2)

1. The Panel's Framework: Principles of Members' Remuneration

Upholding trust and confidence

- 1.1 Citizens rightly expect that all those who choose to serve in local authorities uphold the public trust by embracing the values and ethics implicit in such public service. These principles underpin the contribution that the work of the Panel and its Framework make towards upholding public trust and confidence.

Simplicity

- 1.2 The Framework is clear and understandable. This is essential for the Panel to be able to communicate its determinations effectively to all those who are affected by, or who have an interest in, its work.

Remuneration

- 1.3 The Framework provides for payment to members of local authorities who carry a responsibility for serving their communities. The level of remuneration should not act as a barrier to taking up or continuing in post. There should be no requirement that resources necessary to enable the discharge of duties are funded from the salary. The Framework provides additional recompense for those who are given greater levels of responsibility.

Diversity

- 1.4 Democracy is strengthened when the membership of local authorities adequately reflects the demographic and cultural make-up of the communities such authorities serve. The Panel will always take in to account the contribution its framework can make in encouraging the participation of those who are significantly under-represented at local authority level.

Accountability

- 1.5 Taxpayers and citizens have the right to receive value for money from public funds committed to the remuneration of those who are elected, appointed or co-opted to serve in the public interest. The Panel expects all principal councils to make information readily and appropriately available about the activities and remuneration of their members.

Fairness

- 1.6 The framework will be capable of being applied consistently to members of all local authorities within the Panel's remit as a means of ensuring that levels of remuneration are fair, affordable and generally acceptable.

Quality

- 1.7 The Panel recognises that the complex mix of governance, scrutiny and regulatory duties incumbent upon members requires them to engage with a process of continuous quality improvement. The Panel expects members to undertake such training and personal development opportunities as are required to properly discharge the duties for which they are remunerated.

Transparency

- 1.8 Transparency of members' remuneration is in the public interest. Some members receive additional levels of remuneration by virtue of being elected or appointed to more than one public body. The framework serves to ensure that knowledge of all members' remuneration is made easily available to the public.

Remuneration of Officers

- 1.9 The Panel applies these principles of fairness, accountability and transparency in all its determinations in relation to remuneration of members of all the authorities that fall within its remit. The same principles also apply when the Panel is required to make recommendations in relation to the remuneration of the paid officers of these authorities.

2. Annual Report Summary Page

Type of Payment	Type of Authority			
	Principal Councils	National Park Authorities	Fire and Rescue Authorities	Community and Town Councils
Basic Salary	page 11	page 25	page 30	N/A ³
Senior Roles	page 14	page 25	page 30	page 41
Committee Chairs	page 14	page 25	page 30	N/A
Opposition Groups	page 14	N/A	N/A	N/A
Civic Heads and Deputies	page 15	N/A	N/A	page 41
Presiding Members	page 17	N/A	N/A	N/A
Mileage	page 38	page 38	page 38	page 41
Other Travel Costs	page 38	page 38	page 38	page 41
Subsistence Costs	page 39	page 39	page 39	page 42
Costs of Care	page 35	page 35	page 35	page 43
Family Absence	page 24	N/A	N/A	N/A
Sickness Absence	page 36	page 36	page 36	N/A
Joint Overview and Scrutiny Committees	page 21	N/A	N/A	N/A
Pension	page 23	N/A	N/A	N/A
Co-Optees	page 33	page 33	page 33	N/A
Specific or Additional Allowances	page 19	page 27	page 31	N/A
Payments to Community and Town Councillors	N/A	N/A	N/A	page 40
Financial Loss Allowance	N/A	N/A	N/A	page 42
Statement of Payments	page 79	page 79	page 79	Page 79
Schedule of Remuneration	Page 77	Page 77	Page 77	Page 77
Salaries of Chief Executives and Chief Officers	Page 45	N/A	Page 45	N/A

³ Not Applicable

3. Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

Basic salary for elected members of principal councils

- 3.1 Although public sector funding continues to be constrained, the Panel considers that a modest increase in the basic salary is justified and has determined there shall be an increase of £100 (which equates to 0.75%) from spring 2017 to the basic salary for members of principal councils. This will help to limit further erosion of relative levels of remuneration in the basic salary paid in recognition of the duties expected of all elected members.

Determination 1: Basic salary in 2017/18 for elected members of principal councils shall be £13,400.

Notes to Determination 1:

1. The responsibility element of senior salaries is not being increased but senior salary holders will receive the uplift to the basic salary.
2. The Panel originally determined (IRP Annual Report December, 2009) that the payment of basic salary would be aligned to the median gross earnings of all full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE). Given the pressures on public expenditure it was not possible for this alignment to be maintained. If this alignment had continued the basic salary would currently be in the region of £14,700. While in the current economic circumstances it is not possible to reinstate the link between basic salary and average Welsh earnings, the Panel will, in the future examine possible benchmarks that would be appropriate for the remuneration of elected members.

Senior salaries for elected members of principal councils

- 3.2 The limit on the number of senior salaries payable ('the cap') will remain in place. In 2017/18 the maximum number of senior salaries payable within each council will not be altered and will be as set out in Table 1.

Table 1: Maximum numbers of council membership eligible for payment of a senior salary

Council	Number of councillors	Number of senior salaries
Group A (populations over 200,000)		
Cardiff	75	19
Rhondda Cynon Taf	75	19
Swansea	72	19
Group B (populations of 100,000 to 200,000)		
Bridgend	54	18
Caerphilly	73	18
Carmarthenshire	74	18
Conwy	59	18
Flintshire	70	18
Gwynedd	75	18
Neath Port Talbot	64	18
Newport	50	18
Pembrokeshire	60	18
Powys	73	18
Vale of Glamorgan	47	18
Wrexham	52	18
Group C (populations of up to 100,000)		
Blaenau Gwent	42	17
Ceredigion	42	17
Denbighshire	47	17
Isle of Anglesey	30	15
Merthyr Tydfil	33	16
Monmouthshire	43	17
Torfaen	44	17

Payments to members of the Executive, Chairs of committees and the Leader of the Opposition

3.3 The Panel has not changed the previous decisions in respect of the senior salaries paid to these post holders.

(i) The Executive:

The visits to all principal councils by the Panel in 2009 produced the general conclusion that Executive members should be considered as working the equivalent of full time (up to 40 hours per week) but not necessarily nine to five. However, we have stressed that in reaching this decision there was recognition that with a potential of nearly 200 Executive members (excluding Leaders) there would be a variety of arrangements and that some portfolio holders would have greater responsibility and workloads than others. But this was dependent on the specific organisational arrangements of the cabinets of each authority.

Many councils operate with a cabinet of 10, the statutory maximum, others choose to have smaller cabinets and therefore the range of individual portfolios is much greater. We have concluded that this should be able to be reflected in the remuneration framework. It is not the role of the Panel to determine the structure of cabinets of local authorities so the determinations continue to provide flexibility for each newly elected council to decide the appropriate range of portfolios to meet local needs, recognising that there is an inevitable variation on the level of responsibility and workload.

Executive members may be paid at either of the two senior salary levels below:

Level 1 -

Group A - £32,100

Group B - £29,100

Group C - £26,100

Level 2 -

Group A - £28,900

Group B - £26,200

Group C - £23,500

It is a matter for individual authorities to decide the implementation of the determinations within their specific cabinet structures.

(ii) Chairs of Committees

The Panel continues to take the view that the responsibility and function of chairing a committee is not generally influenced by population of the authority. However, there is recognition that the specific responsibility and workload of some chairs is greater than others, and this has been a topic of ongoing dialogue and debate. We consider that this should be reflected in the remuneration framework.

Where chairs of committees are paid, there are two levels of remuneration:

Level 1 chairs will be paid a salary of £22,100

Level 2 chairs will be paid a salary of £20,100

It is a matter for individual authorities to determine which chairs are paid and at which level, to reflect the appropriate responsibility attached to the specific post.

The Senior Salary Bands

Determination 2: The Panel has determined that senior salary levels in 2017/18 for members of principal councils shall be as set out in table 2.

Table 2: Basic salary and senior salaries payable to members of principal councils

Basic salary (payable to all elected members) £13,400			
	Group A (Cardiff, Rhondda Cynon Taf, Swansea)	Group B (Bridgend, Caerphilly, Carmarthenshire, Conwy, Flintshire, Gwynedd, Newport, Neath Port Talbot, Pembrokeshire, Powys, Vale of Glamorgan, Wrexham)	Group C (Blaenau Gwent, Ceredigion, Denbighshire, Merthyr Tydfil, Monmouthshire, Torfaen, Isle of Anglesey)
Senior salaries (inclusive of basic salary)			
Band 1 Leader Deputy leader	£53,100 £37,100	£48,100 £33,600	£43,100 £30,100
Band 2 Executive members Level 1 Executive members Level 2	£32,100 £28,900	£29,100 £26,200	£26,100 £23,500
Band 3 Committee chairs (if remunerated):	Level 1 Level 2	£22,100 £20,100	
Band 4 Leader of largest opposition group ⁴		£22,100	
Band 5 Leader of other political groups		£17,100	

Table 2 notes:

- a. The Panel considers that the leadership and executive roles (Band 1 and 2 salaries respectively) carry the greatest individual accountability and that 'size of population' remains a major factor in influencing levels of responsibility and

⁴ Leader of largest opposition group. See IRPW Regulations, Annex 2, Part 1(2) for a definition of "largest opposition group" and "other political group".

the use of the three population groups (A, B and C) has therefore been retained. For information: Group A Population 200,000 and above; Group B Population 100,001 to 199,999; Group C Population up to 100,000.

- b. No increase is proposed for senior salaries but post holders will receive the uplift in the basic salary paid to all councillors.
- c. Committee chairs will be paid at Band 3, either Level 1 or 2 (for decision by the authority); although an individual authority may determine not to pay particular chairs.
- d. The Panel is aware of the importance placed by the Welsh Government on the value of the scrutiny function for local democracy and has noted that in total there are currently 90 chairs of scrutiny who receive senior salaries. The Panel believes that this is a clear recognition of the importance of this function.
- e. The stipulation that an opposition group leader or any other group leader must represent at least 10% of the council membership before qualifying for a senior salary remains unchanged.
- f. The Panel has determined that a council must make a senior salary available to the leader of the largest opposition group.
- g. The Panel has determined that, if remunerated, a Band 5 senior salary must be paid to leaders of other political groups.

See IRPW Regulations, Annex 2, Part 1(2) for a definition of “*largest opposition group*” and “*other political group*”.

Payments to Civic Heads and Deputies (Civic Salaries)

- 3.4 The Panel maintains the view that it is appropriate for authorities to set remuneration levels which reflect activity and responsibility of civic heads and deputies rather than the local population. The Panel is aware but surprised that many councils have set the salaries for their civic heads and deputies to accord with the population groups rather than necessarily reflecting the specific responsibilities attached to the roles. For the removal of doubt, the three established groups of principal councils calculated by population are not required to be applied in relation to payments to civic heads and deputies.
- 3.5 The Panel has set three possible levels of civic salary - higher, mid and lower. Each authority must decide which level (if any) is to be paid for each of these roles according to local factors. For example, the civic head of a small council may be paid at the highest rate, whilst the civic head of a large council may be paid at the lowest rate, rates of payment to deputy civic heads may be similarly varied. This also allows for civic heads and their deputies in the same authority to be paid at different levels.

3.6 A council may decide not to apply any civic salary to the posts of civic head and/or deputy civic head.

Determination 3: The Panel has determined that (where paid) civic salaries at the following levels are payable (Table 3) and will be applied by principal councils as each considers appropriate, taking account of the anticipated workloads and responsibilities.

Table 3: Civic salaries (where paid) shall be payable as follows to members of principal councils

Remuneration of civic heads and deputy civic heads (inclusive of basic salaries)		
Responsibility Level	Civic heads	Deputy civic heads
Level 1	£24,100	£18,100
Level 2	£21,600	£16,100
Level 3	£19,100	£14,100

Table 3 notes:

- a. The posts of civic head and deputy civic head are not included in the cap (with the exception of Isle of Anglesey and Merthyr Tydfil Councils).
 - b. The Panel’s requirement that members should not have to pay for the cost of the support (see determination 7) that is needed to carry out their duties applies also in respect of civic heads. The Panel recognises the range of provision made for civic heads in respect of transport, secretarial support, charitable giving and clothing. The Panel does not consider it appropriate for councils to expect or require that contributions towards any such provision should be met from the net senior salaries paid to civic heads.
- 3.7. Civic roles are senior posts within councils which are distinct from political or executive leadership. In addition to chairing major meetings the civic head is the authority’s ‘first citizen’ and ‘ambassador’, representing the council to a wide variety of institutions and organisations, and this requires the post holder to exemplify and promote good citizenship.
- 3.8. Deputy civic heads are often ‘civic heads in waiting’ for the following year, ‘learning the ropes’ by participating in a separate schedule of events as well as deputising for the civic head.
- 3.9. The intention of the civic allowance as defined by sections 22(5) and 24(4) of the Local Government Act 1972 remains to allow a council to pay a chair and vice-chair of a council a salary which it thinks fit for the purposes of meeting the expenses of those offices.

- 3.10. In many instances civic heads receive secretarial support and are provided with transport for official duties and can access a separate hospitality budget which is managed and controlled by council officers.
- 3.11 The level of support given, the personal financial outlay and the level of activity during the year of office varies considerably between authorities and the size of authority does not necessarily relate to the commitment required, or given by, civic heads.
- 3.12 All principal councils have a number of community councils within their areas and many also include town councils. Where a community council has a particularly active civic head this may have some impact on the workload of the principal council's civic head.
- 3.13 The Local Government (Democracy) (Wales) Act 2013 allows councils to appoint a presiding member whose role it will be to chair meetings of the whole council. Where appointed, there would be a consequential reduction in the responsibilities of the respective civic head.

Payments to Presiding Members

Determination 4: The Panel has determined that, where appointed and if remunerated, a presiding member must be paid a Band 3 Level 1 senior salary. This post will count towards the cap.

Determination 5: The Panel has determined that the post of deputy presiding member will not be remunerated.

Key factors underpinning the Panel's determinations:

- 3.14 The basic salary, paid to all elected members, is remuneration for the responsibility of community representation and participation in the scrutiny, regulatory and related functions of local governance for the time equivalent of three days a week. Any time commitment beyond three days is an unpaid public service contribution.
- 3.15 The prescribed salary and expenses must be paid in full to each member unless an individual has independently and voluntarily opted in writing to the authority's proper officer to forego all or any element of the payment. It is fundamental that there is transparency in this process so that any possible suggestion that members are put under pressure to forego some of the salaries is avoided. The Panel will be consulting on a pro forma for the Publication of the Statement of Payments Made which will include the exact amount paid to each member.

The following must be applied:

- a) An elected member must not be remunerated for more than one senior post within his or her authority (but see section 4 on JOSCs).
- b) An elected member must not be paid a senior salary and a civic salary.
- c) All senior and civic salaries are paid inclusive of basic salary.
- d) If a council chooses to have more than one remunerated deputy leader, the difference between the senior salary for the deputy leader and other executive members should be divided by the number of deputy leaders and added to the senior salary for other executive members in order to calculate the senior salary payable to each deputy leader.
- e) Members in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA or FRA to which they have been appointed.

Supporting the work of local authority elected members

- 3.16 The Panel has continued its programme of meetings with Chairs and members of Democratic Service Committees and Heads of Democratic Services. These meetings have provided valuable opportunities for members and officers to discuss the variations that occur and to share and understand the benefits gained by properly supporting the ability of members to discharge their basic duties effectively. Heads of Democratic Services have suggested that it would be beneficial for authorities to be pro-active in sharing information and establishing benchmarks for levels of provision and good practice in how authorities support the work of elected members. The Panel shares this view.
- 3.17 The Panel expects that the support provided should take account of the specific needs of individual members. The functions of Democratic Services Committees include a requirement to review the level of support provided to members to carry out their duties and the Panel would expect these committees to carry this out and bring forward proposals to the full council as to what is considered to be reasonable.
- 3.18 The Panel considers it is necessary for each elected member to have ready use of telephone and e-mail services, and to have electronic access to appropriate information via an internet connection. This comprises the necessary provision for a member to be in proper contact with council services and to maintain contact with those they represent. Many councils in Wales are committed to 'paperless working' and without electronic access a member would be significantly limited in his or her ability to discharge their duties. As stated above, it is the responsibility of each council through its Democratic Services Committee to provide support based on an assessment of the needs of its members. When members' additional needs or matters of disability apply, or there are specific training requirements indicated, each

authority will need to assess any particular requirements of individual members. It would not be appropriate for facilities required by members only to be available within council offices within office hours.

For co-opted members the support should be appropriate and proportionate,

Determination 6: The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone and email facilities and electronic access to appropriate information.

Determination 7: The Panel has determined that such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and/or efficiency of members.

Specific or additional senior salaries

- 3.19 The Panel has allowed for greater flexibility through the provision for authorities to apply for specific or additional senior salaries that do not fall within the current remuneration framework, or which could not be accommodated within the maximum number of senior salaries relating to the authority. If the proposed addition is approved and results in the council exceeding its cap, this will be included in the approval (with exception of Merthyr Tydfil and the Isle of Anglesey Councils – see footnote 5).

Determination 8: The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.

- 3.20 Guidance to local authorities on the application process was issued in April 2014 and incorporated the following principles:
- a. The total number of senior salaries cannot exceed fifty percent⁵ of the membership.

⁵ Local Government (Wales) Measure 2011 Section 142 (5) The proportion fixed by the Panel in accordance with subsection (4) may not exceed fifty percent unless the consent of the Welsh Ministers has been obtained.

- a. Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
- b. There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
- c. Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.

The Panel's determinations on Travel and Subsistence, Reimbursement of costs of care and Family Absence are now set out in separate sections of this Annual Report.

4. Joint Overview and Scrutiny Committees (JOSC)

4.1. The Panel has set out the arrangements for the remuneration of chairs of Joint Overview and Scrutiny Committees and Sub-committees⁶. The payments align with those of chairs of committees of principal councils set out in Section 3 (Level 2).

The following determinations apply:

Determination 9: The chair of a Joint Overview and Scrutiny Committee is eligible for a salary equivalent to that part of a Band 3 Level 2 senior salary that remunerates a committee chair of a principal authority (£6,700).

Determination 10: In cases where the chair is already in receipt of a senior salary for a Band 3, 4 or 5 role the payment will be £3,350.

Determination 11: The chair of a sub committee of a JOSC is eligible for a salary of £1,675.

Determination 12: In cases where the chair of the sub committee is already in receipt of a senior salary for a Band 3, 4 or 5 role the payment will be £837.

Determination 13: Payments to chairs of task and finish sub committees are to be pro-rated to the duration of the task.

Determination 14: Payments made to a chair of a JOSC, or a chair of a sub committee of a JOSC, are additional to the maximum proportion of the authority's membership eligible for a senior salary. It should be noted that the statutory limit of no more than 50% of a council's membership receiving a senior salary applies (Section 142 (5) of the Measure).

Determination 15: A deputy chair of a JOSC or sub committee is not eligible for payment.

Determination 16: Co-optees to a JOSC or to a sub committee are not eligible for a co-opted member fee unless they are appointed by an authority under Section 144(5) of the Measure.

4.2. The remuneration of chairs of JOSCs (or a sub-committee of JOSCs) is not prescribed and is a matter for the constituent councils to decide whether such

⁶ [http://www.assembly.wales/Laid%20Documents/SUB-LD9311%20-%20The%20Local%20Authorities%20\(Joint%20Overview%20and%20Scrutiny%20Committees\)%20\(Wales\)%20Regulations%202013-02052013-245903/sub-ld9311-e-English.pdf](http://www.assembly.wales/Laid%20Documents/SUB-LD9311%20-%20The%20Local%20Authorities%20(Joint%20Overview%20and%20Scrutiny%20Committees)%20(Wales)%20Regulations%202013-02052013-245903/sub-ld9311-e-English.pdf)

a post will be paid. However, if a senior salary is paid, it must be at the level set out in section 4 of this report.

5. Pension Provision for Elected Members of Principal Councils

- 5.1 The Local Government (Wales) Measure 2011 provides a power to the Panel to make determinations on pension entitlement for elected members of principal councils.

Determination 17: The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.

6. Entitlement to Family Absence

This section applies to members of principal authorities.

- 6.1 The Regulations relating to Family Absence for elected members of principal councils were approved by the National Assembly for Wales in November 2013⁷ and cover maternity, newborn, adoption and parental absences from official business.
- 6.2. The Panel considered the implications for the remuneration of such members who are given absence under the terms of the Welsh Government Regulations and the Panel's determinations are set out below.

Determination 18: An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.

Determination 19: When a senior salary holder is eligible for family absence, he/she will continue to receive the salary for the duration of the absence.

Determination 20: It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.

Determination 21: If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.

Determination 22: When a Council agrees a paid substitution for family absence, the Panel must be informed, within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.

Determination 23: The Council's schedule of remuneration must be amended to reflect the implication of the family absence.

⁷ http://www.legislation.gov.uk/wsi/2013/2901/pdfs/wsi_20132901_mi.pdf

7. Payments to Members of National Park Authorities

Structure of National Park Authorities

- 7.1 The 3 National Parks in Wales - Brecon Beacons, Pembrokeshire Coast and Snowdonia were formed to protect spectacular landscapes and provide recreation opportunities for the public. The Environment Act 1995 led to the creation of the 3 corresponding National Park Authorities (NPAs). In managing the National Park, the Authority has 3 main purposes:
- to protect the natural beauty of the Park;
 - to help visitors enjoy and understand it; and
 - to foster the wellbeing of local people.
- 7.2 National Park Authorities have a committee of Members who are either elected members nominated by the Principal Councils within the National Park area or are members appointed by the Welsh Government through the Public Appointments Process. Welsh Government appointed and council nominated members are treated equally in relation to remuneration.
- 7.3 The structure of the Members' Committee at each of the 3 national parks is set out in Table 4.

Table 4: Membership of Welsh National Park Authorities

National Park Authority	Total Membership	Principal Council Members	Welsh Government appointed Members
Brecon Beacons	24	16: Blaenau Gwent County Borough Council – 1 Carmarthenshire County Council – 2 Merthyr Tydfil County Borough Council – 1 Monmouthshire County Council – 2 Powys County Council – 8 Rhondda Cynon Taf County Borough Council - 1 Torfaen County Borough Council - 1	8
Pembrokeshire Coast	18	12: Pembrokeshire County Council - 12	6
Snowdonia	18	12: Conwy County Borough Council – 3 Gwynedd County Borough Council – 9	6

- 7.4 In addition, Standards Committees of NPAs have Independent Co-opted members whose remuneration is included in the framework as set out in Section 9.

- 7.5 In considering remuneration of members of NPAs, the Panel has based its determinations on the following key points:
- NPAs manage their work via formal authority meetings, committees and task and finish groups. Each has a Development/Management/Planning Committee, and other committees include Performance and Resources and Audit and Scrutiny. Ordinary NPA members are members of at least one committee as well as being involved in site visits and inspection panels.
 - There is an expectation that members will participate in training and development.
 - The chair of an NPA has a leadership and influencing role in the authority, a representational role similar in some respects to that of a civic head and a high level of accountability. The chair is not only the leader of the authority but is also the public face of the particular national park and is the link with the Minister and AMs with whom they have regular meetings. The role requires a high level of commitment and time.

Basic and senior salaries

- 7.6 The Panel has previously determined that the role of ordinary members of an NPA should be aligned to the basic salary of a member of a principal council, and that the time commitment required is a notional 42 days per year. This remains the basis of the Panel's determinations.
- 7.7 Although public sector funding continues to be constrained the Panel considers that a modest increase in the basic salary is justified and has determined there shall be an increase of £100 (which equates to 0.75%) from 1 April 2017 in the level of basic salary for members of principal councils. This will help to limit further erosion of relative levels of remuneration in the basic salary paid in recognition of the duties expected of members.
- 7.8 Therefore, there is a corresponding increase of £25 on the basic salary for members of NPAs from 1 April 2017.
- 7.9 The Panel has also previously determined that the remuneration of an NPA chair should be aligned to that part of a Band 3 Level 1 senior salary received by a committee chair of a principal council.
- 7.10 In 2014, the Panel provided local flexibility so that an NPA can decide at which of two levels the roles of deputy chair and up to 2 other committee chairs can be remunerated. An NPA may choose to pay its deputy chair and/or committee chairs a salary of either £7,325 or £6,025, commensurate with the significant and sustained duties to be discharged in a particular role.
- 7.11 During 2016, the Panel met with members and officers of the 3 NPAs. Feedback was received during the Panel's visits about the importance of

members' attendance at meetings and the impact non-attendance can have. The Panel is minded to consider this further during 2016/17.

Additional Senior Salaries

- 7.12 Feedback was also received during the Panel's visits to NPAs that its determination that up to two NPA Committee Chairs could receive a senior salary could be restrictive in the NPAs discharging their governance requirements.
- 7.13 The Panel allows principal councils greater flexibility to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework. The Panel is extending this provision to NPAs as reflected in the following principles:
- a. Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
 - b. There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
 - c. Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.

7.14 The Panel has made the following determinations:

Determination 24: The basic salary for NPA ordinary members should be £3,625

Determination 25: The senior salary of the chair of an NPA should be £12,325

Determination 26: An NPA senior salary can be paid to a Deputy Chair and up to two committee chairs where there is significant and sustained responsibility. This can be paid at either of the following levels to be decided by the authority to reflect the appropriate responsibility: £6,025 or £7,325

Determination 27: The Panel has determined to include a provision for NPAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.

Determination 28: Members must not receive more than one NPA senior salary.

Determination 29: An NPA senior salary is paid inclusive of the NPA basic salary and must reflect significant and sustained responsibility

Determination 30: Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA to which they have been appointed.

The Panel's determinations on Travel and Subsistence, Reimbursements of Costs of Care and Family Absence are now set out in separate sections of this Annual Report.

8. Payments to Members of Welsh Fire and Rescue Authorities

Structure of Fire and Rescue Authorities

- 8.1 The 3 Fire and Rescue Services in Wales: Mid and West Wales, North Wales and South Wales and Fire and Rescue Authorities (FRAs) were formed as part of Local Government re-organisation in 1996.
- 8.2 FRAs comprise of elected Members who are nominated by the Principal Councils within the Fire and Rescue Service area.
- 8.3 The structure of the each of the 3 FRAs is set out in Table 5

Table 5: Membership of Fire and Rescue Authorities

Name of Fire and Rescue Authority	Number of Local Authority Members
Mid and West Wales	25: Carmarthenshire County Council – 5 Ceredigion County Council – 2 Neath Port Talbot County Borough Council – 4 Pembrokeshire County Council – 3 Powys County Council – 4 Swansea City and County Council - 7
North Wales	28: Conwy County Borough Council – 5 Denbighshire County Council – 4 Flintshire County Council – 6 Gwynedd Council – 5 Isle of Anglesey County Council – 3 Wrexham County Borough Council – 5
South Wales	24: Bridgend County Borough Council – 2 Blaenau Gwent County Borough Council – 1 Caerphilly County Borough Council – 3 Cardiff City Council – 5 Merthyr Tydfil County Borough Council – 1 Monmouthshire County Council – 2 Newport City Council - 2 Rhondda Cynon Taf County Borough Council - 4 Torfaen County Borough Council – 2 Vale of Glamorgan Council -2

- 8.4 In addition, Standards Committees of FRAs have independent co-opted members whose remuneration is included in the framework as set out in Section 9.

8.5 In considering remuneration of members of FRAs, the Panel has based its determinations on the following key points:

- The chair has a leadership and influencing role in the authority, and a high level of accountability especially when controversial issues relating to the emergency service arise. In addition to fire authority meetings, all FRAs have committees that include in different combinations: audit, performance management, scrutiny, human resources, resource management as well as task and finish groups and disciplinary panels. As well as attending formal meetings of the authority and committees, members are encouraged to take on a community engagement role, including visiting fire stations.
- There is a strong training ethos in FRAs. Members are expected to participate in training and development. Induction programmes are available as well as specialist training for appeals and disciplinary hearings.
- Training sessions often follow on from authority meetings to make the training accessible.

Basic and Senior Salaries

8.6 The Panel has previously determined that the remuneration of ordinary members of an FRA should be aligned to the basic salary of a member of a principal council and that the time commitment required is a notional 20 days per year. This remains the basis of the Panel's determinations.

8.7 Although public sector funding continues to be constrained the Panel considers that a modest increase in the basic annual salary of elected members is justified and has determined there shall be an increase of £100 (which equates to 0.75%) from the date of the authority's Annual General Meeting in the level of basic salary for members of principal councils. This will help to limit further erosion of relative levels of remuneration in the basic salary paid in recognition of the duties expected of members.

8.8 Therefore, there is a corresponding increase of £15 on the basic salary for members of FRAs from the date of the authority's Annual General Meeting.

8.9 The Panel determined that the remuneration of an FRA chair should be aligned to that part of a Band 3 Level 1 senior salary received by a committee chair of a principal council.

8.10 The Panel determined that the remuneration of an FRA deputy chair where there is significant and sustained senior responsibility will be aligned with the Band 5 senior salary.

8.11 The Panel has determined that up to two FRA committee chairs where there is significant and sustained responsibility can be remunerated.

8.12 During 2016, the Panel met with members and officers of the 3 FRAs. Feedback was received about the importance of members' attendance at meetings and the impact non-attendance can have. The Panel is minded to consider this further during 2016/17.

Additional Senior Salaries

8.13 The Panel allows principal councils greater flexibility to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework. The Panel is extending this provision to FRAs as reflected in the following principles

- a. Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
- b. There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
- c. Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.

Local Pension Boards

8.14 The Panel has considered requests from FRAs to allow them to pay salaries to chairs of local pension boards established under the Firefighters' Pension Scheme (Wales) Regulations 2015. Those Regulations already give FRAs the power to decide how local pension boards are to work and to pay the chair and members if they wish. Therefore it is not appropriate for the Panel to make a determination empowering FRAs to pay salaries to local pension board chairs. The senior salaries in Determination 33 or 34 cannot be used exclusively for this role.

8.15 The Panel has made the following determinations:

Determination 31: The basic salary for FRA ordinary members should be £1,715

Determination 32: The senior salary of the chair of an FRA should be £10,415.
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Determination 33: An FRA senior salary can be paid to the deputy chair and up to two chairs of committees where there is significant and sustained responsibility. This should be paid at £5,415.
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Determination 34: The Panel has determined to include a provision for FRAs to apply for specific or additional senior salaries that do not fall
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within the current Remuneration Framework.

Determination 35: Members must not receive more than one FRA senior salary.

Determination 36: An FRA senior salary is paid inclusive of the FRA basic salary and must reflect significant and sustained responsibility

Determination 37: Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any FRA to which they have been nominated.

The Panel's determinations on Travel and Subsistence, Reimbursement of Costs of Care and Family Absence are now set out in separate sections of this Annual Report.

9. Payments to co-opted Members of Principal Councils, National Park Authorities and Fire & Rescue Authorities⁸

- 9.1 The Panel has determined that a daily/half daily fee is appropriate remuneration for the important role undertaken by co-opted members of authorities with voting rights (this includes the co-opted member from a Town or Community council). The level of payments is equivalent to the current daily rates for chairs and members of the Welsh Government's Band 2 sponsored bodies. The Panel notes there has been no uplift in these payment levels across such bodies since 2010.
- 9.2 Principal councils, NPAs and FRAs can decide on the maximum number of days in any one year for which co-opted members may be paid.
- 9.3 The determinations are set out below:

Determination 38: Principal councils, NPAs and FRAs must pay the following fees to co-opted members (Table 6) (who have voting rights).

Table 6: Fees for co-opted members (with voting rights)

Chairs of standards, and audit committees	£256 (4 hours and over) £128 (up to 4 hours)
Ordinary members of standards committees who also chair standards committees for community and town councils	£226 daily fee (4 hours and over) £113 (up to 4 hours)
Ordinary members of standards committees; education scrutiny committee; crime and disorder scrutiny committee and audit committee	£198 (4 hours and over) £99 (up to 4 hours)
Community and town councillors sitting on principal council committees	£198 (4 hours and over) £99 (up to 4 hours)

Determination 39: Reasonable time for pre meeting preparation is eligible to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.

Determination 40: Travelling time to and from the place of the meeting can be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).

Determination 41: The appropriate officer within the authority can determine

⁸ This section does not apply to co-opted members of community and town councils.

in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.

Determination 42: Meetings eligible for the payment of fees include other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.

The Panel's determinations on Travel and Subsistence, Reimbursement of costs of care and Family Absence are now set out in separate sections of this Annual Report.

10. Reimbursement of Costs of Care

- 10.1. This section applies to members of principal councils, National Park Authorities, Fire and Rescue Authorities and to co-opted members of these authorities. (Similar provision for Community and Town Councils is given in section 13 as there is a different approach to such members, principally that provision is permissive.)

Determination 43: All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the carer.

- 10.2. The reimbursement of the costs of care is intended to enable any person whose ability to participate as a member of an authority would be limited by their responsibilities as a carer, or for a member to receive care support to enable that individual to carry out their role. The Panel recognises that there is some sensitivity concerning the publication of this legitimate expense and has reflected this in the options for publication as set out in Annex 4. However, the Panel urges authorities to promote this reimbursement and encourage greater take-up of this support to facilitate participation amongst existing authority members and encourage diversity among future elected members.
- 10.3. Such provision would be especially relevant to those individuals in sectors of the population that are currently under-represented in local government but who may become engaged when awareness of the support available for the costs of care becomes more widely known.

11. Sickness Absence for Senior Salary Holders

- 11.1. The Family Absence Regulations (approved by the National Assembly in 2014) are very specific relating to entitlement and only available for elected members of principal councils. Absence for reasons of ill-health is not included.
- 11.2. Instances have been raised with the Panel of senior salary holders on long term sickness and the perceived unfairness in comparison with the arrangements for family absence. In consequence, councils are faced with the dilemma of:
- Operating without the individual member but still paying him/her the senior salary.
 - Replacing the member who therefore loses the senior salary (but retains the basic salary).
- 11.3. The Panel has considered this and is amending the Framework to provide specific arrangements for long term sickness as set out below:
- a) Long term sickness is defined as certified absences in excess of 4 weeks.
 - b) The maximum length of sickness absence within these proposals is 26 weeks or until the individual's term of office ends, whichever is sooner (but if reappointed any remaining balance of the 26 weeks will be included).
 - c) Within these parameters a senior salary holder on long term sickness can, if the authority decides continue to receive remuneration for the post held.
 - d) It is a decision of the authority whether to make a substitute appointment but the substitute will be eligible to be paid the senior salary appropriate to the post.
 - e) If the paid substitution results in the authority exceeding the maximum number of senior salaries payable for that authority as set out in the Annual Report, an addition will be allowed for the duration of the substitution. (However this would not apply to Merthyr Tydfil or the Isle of Anglesey councils if it would result in more than 50% of the membership receiving a senior salary. It would also not apply in respect of a council executive member if it would result in the cabinet exceeding 10 posts - the statutory maximum).
 - f) When an authority agrees a paid substitution the Panel must be informed within 14 days of the decision of the details including the specific post and the estimated length of the substitution. The authority's Schedule of Remuneration must be amended accordingly.
 - g) It does not apply to elected members of principal councils who are not senior post holders as they continue to receive basic salary for at least

six months irrespective of attendance and any extension beyond this timescale is a matter for the authority.

- 11.4. This arrangement applies to members of principal councils, National Park Authorities and Fire and Rescue Authorities who are senior salary holders, including Welsh Government appointed members, but does not apply to co-opted members.

Note:

The Family Absence Regulations apply to elected members in cases of maternity, newborn, adoption and parental absences from official business.

12. Reimbursement of Travel and Subsistence Costs when on Official Business

- 12.1. This section applies to members of principal authorities, National Park Authorities, Fire and Rescue Authorities and to co-opted members of these authorities. (Similar provision for Community and Town Councils is contained in section 13 as there is a different approach to such members, principally that the provision is permissive.)
- 12.2. Members may claim reimbursement for travel and subsistence (meals and accommodation) costs where these have arisen as a result of undertaking official duties. Expenses reimbursed to members by their local authority are exempt from Income Tax and employee NICs.
- 12.3. The Panel is aware that in some instances members with disabilities have been reluctant to claim legitimate travel expenses because of an adverse response following the publication of their travel costs. As an alternative, travel arrangements could be made directly by the authority in such circumstances.
- 12.4. The Panel has determined that there will be no change to mileage rates which members are entitled to claim. All authorities may only reimburse travel costs for their members undertaking official business within and/or outside the authority's boundaries at the current HM Revenue and Customs (HMRC) rates which are:

Reimbursement of mileage costs

45p per mile	Up to 10,000 miles in a year by car
25p per mile	Over 10,000 miles in a year by car
5p per mile	Per passenger carried on authority business
24p per mile	Motor cycles
20p per mile	Bicycles

- 12.5. Where a member who is on official business is driven by a third party (not a member or officer of that authority), the member can claim mileage at the prescribed rates plus any parking or toll fees provided the authority is satisfied that the member has incurred these costs.

Reimbursement of other travel costs

- 12.6. All other claims for travel must only be reimbursed on production of receipts showing the actual cost and will be subject to any requirement or further limitation that an authority may determine. Members should always be mindful of choosing the most cost effective method of travel.

Reimbursement of subsistence costs

£28 per day	Day allowance for meals, including breakfast, where not provided in the overnight charge
£200 per night	London
£95 per night	Elsewhere
£30 per night	Staying with friends and/or family

- 12.7. These rates are in line with Welsh Government rates. Recommended practice is that overnight accommodation should usually be reserved and paid for on behalf of members by the relevant authority, in which case an authority may set its own reasonable limits and the limits which apply when an individual member claims in arrears for overnight accommodation costs do not then apply.
- 12.8. All authorities must continue to reimburse subsistence expenses for their members up to the maximum rates set out above on the basis of receipted claims except for occasions when members stay with friends and/or family.
- 12.9. There may be instances where an authority has determined that travel costs within its boundaries are payable and require a journey to be repeated on consecutive days. Where it is reasonable and cost effective to reimburse overnight accommodation costs, instead of repeated daily mileage costs, then it is permissible to do so.
- 12.10. It is not necessary to allocate the maximum daily rate (£28 per day) between different meals as the maximum daily rate reimbursable covers a 24 hour period and can be claimed for any meal if relevant, provided such a claim is accompanied by receipts.

13. Payments to Members of Community and Town Councils

- 13.1. The Panel has had responsibility for the remuneration of community and town councils since the Measure of 2011 and its first determinations for such members came into effect in the financial year 2013/2014. Subsequent Annual Reports have developed ideas for remuneration of community and town councillors, allowing flexibility to meet appropriate responsibilities.
- 13.2. The Panel recognises a wide variation in geography, scope and scale across 735 community and town councils in Wales, from small community councils with relatively minimal expenditure and few meetings to large town councils with significant assets and responsibilities.
- 13.3. Therefore determinations 44 to 51 are permissive powers, each of which requires a formal decision by each community or town council annually. A community or a town council can adopt any or all of the determinations but if it does make such a decision, it must apply to all its members.
- 13.4. An individual member may make a personal decision to elect to forgo part or all of the entitlement to any of these allowances by giving notice in writing to the proper officer of the council.
- 13.5. In arriving at its determinations this year, the Panel actively engaged with Community and Town Councils. The Panel met with representatives of One Voice Wales and presented the draft determinations for discussion at their annual conference. The Panel also met with a representative of the Society of Local Council Clerks. During early 2017 the Panel is holding 3 regional meetings across Wales and is meeting the North and Mid Wales Association of Local Councils to further discuss Community and Town Councils' remuneration.

Payments to Community and Town Councillors

- 13.6. In order to compensate members of community and town councils for expenses and costs involved in carrying out their duties, the Panel has determined that councils should be authorised to make a payment to each member.

Determination 44: Community and town councils are authorised to make a payment to each of their members of a maximum amount of £150 per year for costs incurred in respect of telephone usage, information technology, consumables etc.

Senior roles

- 13.7. The Panel recognises that specific member roles especially within the larger community and town councils, for example a committee chair, can involve greater responsibility. It has therefore determined that councils should be authorised to pay up to three responsibility payments for specified roles.

Determination 45: Community and town councils are authorised to make an annual payment not exceeding £500 each to up to 3 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses if that is made.

Civic allowance

- 13.8. Recognising that some mayors and chairs of community and town councils and their deputies are very active during their year of office, the Panel has determined that community and town councils should be authorised to pay an allowance for these roles.
- 13.9. In its previous annual reports the Panel determined no maximum levels of payment to mayors/chairs and their deputies. The Panel's research indicates that the majority of community and town councils make no or very modest payments to their civic leaders. However, there are indications that some community and town councils are reporting the budget allocated for civic functions rather than the amount paid as personal civic allowance to the individual. The Panel will take further steps to establish accurate figures for payments made to mayors/chairs with the intention of setting an appropriate level for such payments in its 2018 Annual Report.

Determination 46: Community and town councils are authorised to provide a civic allowance to the mayor/chair of the council at an amount that they deem appropriate to undertake the functions of that office. This is in addition to the £150 payment for costs and expenses if that is made

Determination 47: Community and town councils are authorised to provide a civic allowance to the deputy mayor/deputy chair of the council at an amount that they deem appropriate to undertake the functions of that office. This is in addition to the £150 payment for costs and expenses if that is made

Reimbursement of travel costs

- 13.10. The Panel recognises that there can be significant travel costs associated with the work of community and town council members, especially where the

council area is geographically large and/or when engaging in duties outside this area. It has therefore made provision for travel costs to be met.

Determination 48: Community and town councils are authorised to make payments to each of their members in respect of travel costs for attending approved duties.⁹ Such payments must be the actual costs of travel by public transport or the HMRC mileage allowances as below:

- 45p per mile up to 10,000 miles in the year.
- 25p per mile over 10,000 miles.
- 5p per mile per passenger carried on authority business.
- 24p per mile for private motor cycles.
- 20p per mile for bicycles.

Reimbursement of subsistence

Determination 49: If a community or town council resolves that a particular duty requires an overnight stay, it may authorise reimbursement of subsistence expenses to its members at the maximum rates set out below on the basis of receipted claims:

- £28 per 24-hour period allowance for meals, including breakfast where not provided.
- £200 – London overnight.
- £95 – elsewhere overnight.
- £30 – staying with friends and/or family overnight.

Other Allowances / Payments

13.11. Previously the Panel had determined that an Attendance Allowance could be paid to each of its members for attending approved duties outside the area of the council. Very few community or town councils made this payment and therefore this allowance has been removed. However, the Panel has retained the facility and increased the amount which councils may pay as compensation to their members where they suffer financial loss when attending approved duties.

⁹ Where a member who is on official business is driven by a third party (not a member or officer of that authority), the member can claim mileage at the prescribed rates plus any parking or toll fees provided the authority is satisfied that the member has incurred these costs.

Determination 50: Community and town councils are authorised to pay financial loss compensation to each of their members, where such loss has actually occurred, for attending approved duties as follows:

- Up to £34.00 for each period not exceeding 4 hours:
- Up to £68.00 for each period exceeding 4 hours but not exceeding 24 hours.

Reimbursement of the costs of care

13.12. In order to address issues of democratic participation and diversity, the Panel has decided to permit reimbursement of costs to members for the care of dependent children and others, or costs incurred relating to a personal assistance need, whilst attending meetings and other approved duties.

Determination 51: Community and town councils are authorised to provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the carer.

Publicity requirements

13.13. There is a requirement on community and town councils to publish details of all payments made to individual members in an annual Statement of Payments. This information must be published on council noticeboards and/or websites (with easy access) and provided to the Panel by email or by post no later than 30 September following the end of the year to which the payments relate. The Panel draws attention to the requirements stipulated at Annex 4. The Panel is concerned that a significant number of councils are in breach of this this requirement.

14. Compliance with Panel Requirements

The Panel's remit under the Measure

- 14.1 Section 153 of the Measure empowers the Panel to require a relevant authority¹⁰ to comply with the requirements imposed on it by an Annual Report of the Panel and further enables the Panel to monitor the compliance of relevant authorities with the Panel's determinations.
- 14.2 A relevant authority must implement the Panel's determinations in this report from the date of its annual meeting or a date specified within the Annual Report.

Monitoring compliance

- 14.3 The Panel will monitor the compliance with the determinations in this Annual Report by relevant authorities against the following requirements:
- (i) A relevant authority must maintain an annual **Schedule of Member Remuneration** (IRPW Regulations 4 and 5). Guidance at Annex 3 sets out the content which must be included in the Schedule.
 - (ii) A relevant authority must make arrangements for the Schedule's publication within the authority area (IRPW Regulation 46) and send the Schedule to the Panel as soon as practicable and not later than 31 July in the year to which it applies. Annex 4 provides further details of the publicity requirements.
 - (iii) Any amendments to the Schedule made during the year must be conveyed to the Panel as soon as possible after the amendment is made.

Note: The above requirements do not apply to community and town councils at this time. The following applies to all authorities including community and town councils.

- (iv) A relevant authority must make arrangements for publication within the authority area of the total sum paid by it to each member and co-opted member in respect of salary (basic, senior and civic), allowances, fees and reimbursements in a Statement of Payments (in accordance with Annex 4 that sets out the content that must be included in the Publicity Requirements) as soon as practicable and no later than 30 September following the close of the year to which it relates. It must be submitted to the Panel no later than that date.

¹⁰ Interpretation of "Relevant Authority" provided in the Independent Remuneration Panel for Wales (IRPW) Regulations, Part 1, 'Interpretation'.

15. Salaries of Heads of Paid Service of Principal Councils and Fire and Rescue Authorities and Chief Officers of Principal Councils

- 15.1 Section 63 of the Local Government (Democracy) (Wales) Act 2013 amended the Local Government (Wales) Measure 2011 by inserting section 143A. This enables the Panel to take a view on anything in the Pay Policy Statements of these authorities that relates to the salary of the head of paid service (normally the chief executive or chief fire officer). Section 39 of the Local Government (Wales) Act 2015 further amended the Measure extending this function to include Chief Officers of Principal Councils.
- 15.2 The Welsh Government has issued amended guidance to the Panel which can be found at <http://gov.wales/docs/dsijg/publications/localgov/160212-irp-guide-salaries-en-v2.pdf> .This sets the basis on which the Panel will carry out the function contained in the legislation.
- 15.3 In essence the functions of the Panel and the requirements on authorities established by the legislation and the subsequent guidance are:
- a) If a principal council intends to change the salary of the head of paid service or chief officer, or if a fire and rescue authority intends to change the salary of its head of paid service it must consult the Panel unless the change is in keeping with changes applied to other officers of that authority (whether the change is an increase or decrease). ‘Salary’ includes payments under a contract for services as well as payments of salary under an employment contract.
 - b) The authority must have regard to the recommendation(s) of the Panel when reaching its decision.
 - c) The Panel may seek any information that it considers necessary to reach a conclusion and produce a recommendation. The authority is obliged to provide the information sought by the Panel.
 - d) The Panel may publish any recommendation that it makes. It is the intention that, in the interests of transparency, it will normally do so.
 - e) The Panel's recommendation(s) could indicate:
 - approval of the authority's proposal
 - express concerns about the proposal
 - recommend variations to the proposal
- as long as these comply with any guidance issued by the Welsh Government.
- 15.4 The Panel also has a general power to review the Pay Policy Statements of authorities so far as they relate to the heads of paid service (and chief officers

until 2020).

- 15.5 It is important to note that the Panel will not decide the amount that an individual head of paid service will receive.
- 15.6 The Panel is very aware that this additional function is significantly different from its statutory responsibilities in relation to members' remuneration. However, it will ensure that it undertakes this role with clarity and openness, taking into account all the relevant factors in respect of specific individual cases. Authorities are encouraged to consult the Panel at an early stage in their decision making on such matters. This will enable the Panel to respond in a timely manner.
- 15.7 Appended to this section are the decisions of the Panel in respect of:
- The Chief Fire Officer of Mid and West Wales Fire and Rescue Authority
 - The Chief Officers restructuring in Denbighshire County Council
 - The Chief Officers restructuring in Monmouthshire County Council
 - A Chief Officer in Pembrokeshire County Council
 - Chief Officers in Newport City Council
 - A Chief Officer in Neath Port Talbot County Borough Council

Pay Policy Statements

- 15.8 Paragraph 3.7 of the guidance to the Panel from the Welsh Government states that “The legislation does not restrict the Panel to a reactive role” It allows the Panel to use its power to make recommendations relating to provisions within local authorities Pay Policy Statements. The Panel has considered this in the context of its resources and has decided that these limit the time that could be applied to this open power. So it will examine changes from year to year of the salaries of Chief Executives and Chief Officers to ensure that these comply with the requirements of the legislation.

The Chief Fire Officer of Mid and West Wales Fire and Rescue Authority



Mr D Daycock
Clerk and Monitoring Officer
Mid & West Wales Fire & Rescue Authority

d.daycock@mawwfire.gov.uk

23 November 2015

Dear Mr Daycock,

Proposed Salary of Head of Paid Service (Chief Fire Officer)

The Independent Remuneration Panel for Wales (the Panel) has considered the salary proposed in the report to the Chief Officer Remuneration Committee which you submitted on the 2nd November, in accordance with Section 143A of the Local Government (Wales) Measure 2011. We note that the Committee is recommending approval to the Authority

The Panel met on the 18th November 2015; all members were present. We were grateful for the additional information provided to assist in our consideration. The guidance to the Panel from the Welsh Government in respect of its function under Section 143A states that the Panel could:

- a) Indicate approval of the proposal
- b) Express concerns about the proposal
- c) Recommend a variation to the proposal

We have examined the content of the report and additional documentation provided. While we fully understand the desire to review the present system of payments made to the Chief Fire Officer and to create a simplified framework, we have decided to “Express concerns about the proposal”.

We set out below the reasons for this decision.

You have advised that the existing remuneration of the Chief Fire Officer comprises four elements – Basic Salary; Earn Back (at 3% of basic salary, consolidated); Performance Related Pay (up to 3% of combined basic and Earn Back) and an

allowance for ICT. We have noted that “Earn Back” is rarely not paid which gives the impression that it is in effect part of the basic salary, particularly as it is consolidated. However, PRP is only paid for performance “genuinely beyond expectations”. The report is silent on the way such performance is assessed but given this definition it would be surprising if this was achieved on a regular basis.

The proposal to set the salary on the basis of a combination of population band 3 median and the median for jobs of a similar weight is not justified in the report but to the Panel seems to be a way of compensating for the discontinuance of the PRP element. Overall the result is a consolidated salary significantly higher than the current basic (even when Earn Back is included).

The Panel considers that such an increase in the basic salary is not justified and appears to be out of line with other public sector pay awards. Therefore we formally Express Concern and expect the authority to reconsider.

The legislation requires the authority to have regard to the views of the Panel but are not obliged to follow it. We would draw your attention specifically to paragraph 3.2 of the guidance.

The Panel has noted that the report also deals with the remuneration of other senior officers of the authority. At present our remit does not include officers below the Head of Paid Service and we make no comment on the proposals for these posts.

The Panel would normally publish its decision in exercising this function in the interests of transparency, however, in this instance this will be withheld until we are advised of the authority’s response.

Yours sincerely,



Richard Penn
Chair

The Chief Officers restructuring in Denbighshire County Council



Mohammed Mehmet
Chief Executive
Denbighshire County Council

CC
Cllr Hugh Evans
Catrin Roberts
Sophie Vaughan

04 April 2016

Dear Mr Mehmet

Review of salaries of the senior leadership team

The Independent Remuneration Panel for Wales (the Panel) has considered, in accordance with Section 143A of the Local Government (Wales) Measure 2011, the salary structure for the senior leadership team (SLT) in Denbighshire proposed as a result of the pay review conducted by its remuneration committee. The Panel notes that the committee is recommending approval to the full council.

The Panel was unable to consider the proposal at its meeting on 9th March as it required more specific and relevant information than had been provided. However, in order to consider this expeditiously, the Panel convened an extraordinary meeting on 30 March 2016 solely for this purpose. Four of its five members were present and therefore the meeting was quorate. We examined in advance the content of the "Senior Leadership Pay Review March 2016" report provided to the Panel for this meeting and the original documentation ordered chronologically, which had been provided earlier.

We understand the motivation for Denbighshire County Council to review its SLT pay structure given the length of time since it was last reviewed. We are aware that ad hoc changes have been made resulting in a significant reduction in the membership of the SLT and that has resulted in salaries being adjusted through market supplements and honoraria. We note Denbighshire's desire to produce a pay structure which reviews these and is fair, consistent and transparent and able to attract retain and motivate senior managers.

The guidance to the Panel from the Welsh Government in respect of its function under Section 143A states that the Panel could:

- a) Indicate approval of the proposal
- b) Express concerns about the proposal
- c) Recommend a variation to the proposal

Having examined the information provided, the Panel's decision is to recommend a variation to the Council's proposal. This, together with the reasons for the recommendation is set out below.

The report provided to the Panel states that one of the remuneration committee's principles was for the pay structure to be within the median pay range comparable to the remuneration in other organisations. The report then gives data provided by Hay of the market median figure for corporate directors and for the two levels of head of service. There is also a comparison with the pay ranges of three neighbouring authorities.

The Panel noted that the data from Hay as presented in the report did not identify the sources that were used. The data therefore does not specify which organisations were used for comparison. The Council's remuneration committee could have been making comparisons with all England and Wales councils or a subset of that grouping e.g. all Welsh councils or all UK unitary councils.

The Panel noted that the reason given for the comparison with the neighbouring authorities was the current Welsh Government's preferred policy options for local government re-organisation in which Denbighshire is merged with either Conwy or Flintshire and Wrexham. The Panel considers, in carrying out its functions under section 143A, that possible future configurations of local authority areas cannot be an overriding factor in considering proposals referred to it. The comparison with neighbouring authorities is therefore not persuasive evidence to justify the change on this basis

The Panel therefore additionally considered information relating to the demographics and finances of all Welsh principal councils.

- The population of Denbighshire is 16th out of the 22 principal councils in Wales.
- The revenue budget of the Council is approximately £186 million. This is the 16th largest of the 22 councils.
- The salary ranges of chief officers of other Welsh authorities of a similar size and revenue budget

The Panel's recommendation therefore is:

- That the highest salary currently paid at the three proposed grades (SLT3 corporate director, SLT2 head of service and SLT1 head of service) should be the maximum in that grade;

- The officers who have salaries currently below the highest can be raised to that level through a series of increments, over a three year period. The increments should be structured so that no officer receives an increment of less than £1,000;
- Subject to point 2, the council has the discretion to set the minimum for the grade and the incremental steps to reach the maximum as indicated below.

Independent Remuneration Panel of Wales Recommendation		
Senior Leadership Team – Denbighshire (excluding the Chief Executive)		
SLT3 (Directors)	96,630	maximum of scale
	XX	mid point of scale *
	XX	start of scale *
SLT2 (Head of Service)	77,687	maximum of scale
	XX	mid point of scale *
	XX	start of scale *
SLT1 (Head of Service)	62,687	maximum of scale
	XX	mid point of scale *
	XX	start of scale *

* For the Council to determine

The Panel consider that this structure fulfils the principles the remuneration committee worked within, particularly:

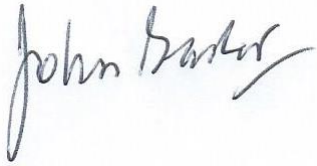
*There is sufficient opportunity for financial progression over 3 years
No officer is being financially disadvantaged.*

In accordance with sections 143A (3B) and (4A) of the Local Government Measure 2011, the authority is required to have regard to the views of the Panel and the Panel is required to inform the Welsh Minister of its recommendation.

In accordance with section 143A (5A), the authority must notify the Panel and the Welsh Ministers of its response to this recommendation.

The Panel would normally publish its decision in exercising this function in the interests of transparency, however, in this instance this will be withheld until we are advised of the authority's response.

Yours sincerely,

A handwritten signature in black ink that reads "John Bader". The signature is written in a cursive style with a long, sweeping underline.

John Bader
Chair

The Chief Officers restructuring in Monmouthshire County Council



Paul Matthews
Chief Executive
Monmouthshire County Council
cc. Councillor Peter Fox, Leader Monmouthshire CC

26 May 2016

Dear Mr Matthews

Senior Officer Leadership changes at Monmouthshire County Council

Your letter and accompanying documentation dated 5th May was considered by the Independent Remuneration Panel for Wales at the meeting on 25th May. All members of the Panel were present and therefore the meeting was quorate.

Panel members were appreciative of the documents provided including the additional information requested by the secretariat. It was noted that the proposed structure would produce significant ongoing savings.

In respect of the function of the Panel related to the salaries of chief officers the remit and guidance from the Welsh Government allows the Panel to:

- a) Approve the proposals
- b) Express concerns about the proposals
- c) Recommend a variation to the proposals

Having examined the submission from your authority it is the decision of the Panel to approve the proposals as submitted.

Yours sincerely

John Bader

Chair

Change to a Chief Officer Salary in Pembrokeshire County Council



Ceri Davies
Head of Human Resources
Pembrokeshire County Council

cc. Mark Woolgar, Human Resources Manager

22 August 2016

Dear Ceri,

Proposal to change the remuneration of a chief officer

Your letter and accompanying documentation dated 8th August was considered by the Independent Remuneration Panel for Wales at the meeting on 17th August. All members of the Panel were present and therefore the meeting was quorate.

In respect of the function of the Panel related to the salaries of chief officers the remit and guidance from the Welsh Government allows the Panel to:

- a) Approve the proposal
- b) Express concerns about the proposal
- c) Recommend a variation to the proposal

Having examined the submission from your authority it is the decision of the Panel to approve the proposal as submitted.

Yours sincerely

John Bader

Chair

Review of Chief Officer Pay in Newport City Council



Will Godfrey
Chief Executive
Newport City Council
Will.godfrey@newport.gov.uk

Eich cyf/ Your ref:

Ein cyf/Our ref: zA1263030

cc Rachael Davies
HR Manager
RachaelA.Davies@newport.gov.uk

23 September 2016

Dear Will

Review of senior pay at Newport City Council

Your review document and accompanying documentation was considered by the Independent Remuneration Panel for Wales at its meeting on 14th September. Five members of the Panel were present and therefore the meeting was quorate.

The Panel considered your proposal to amend the salary range of some of your heads of service. The Panel asked me to seek clarification on 2 issues:

1. The status of your second submission (headed Part 2) and whether this took precedence over the initial proposal.
2. To establish which salary range you were submitting as the range for HDSO2 in the submission was lower than in the additional information provided by your HR Manager following a request from me.

You confirmed that the original submission (Part 1) was the proposal that you were requesting the Panel to consider and that the correct salary range was that provided by your HR Manager.

Having examined the submission from your authority and received satisfactory clarification on the matters noted above it is the decision of the Panel to approve the proposal as submitted.

Regards

John Bader
Chair, Independent Remuneration Panel for Wales.

Review of Chief Officer Pay in Neath Port Talbot City Council

Nick Jarman
Director of Social Services, Health and Housing
Neath Port Talbot County Borough Council

n.jarman@npt.gov.uk



13 December 2016

Dear Nick,

Proposal for a Market Pay Supplement – Head of Adult Services

Your letter and accompanying documentation dated 8 November was considered by the Independent Remuneration Panel for Wales at the meeting on 17 November. Three members of the Panel were present and therefore the meeting was quorate. Two members of the Panel declared a conflict of interest and took no part in the discussion.

Following this meeting the Panel wished to discuss the matter with you further, and would like to thank you for meeting with them on 7 December to enable that discussion to take place.

In respect of the function of the Panel related to the salaries of chief officers the remit and guidance from the Welsh Government allows the Panel to:

- a) Approve the proposal
- b) Express concerns about the proposal
- c) Recommend a variation to the proposal

Having examined the submission from your authority and discussed the matter with you in person it is the decision of the Panel to approve the proposal as submitted.

Yours sincerely

John Bader

Chair

Annex 1: The Panel's Determinations for 2017/18

Principal Councils	
1.	Basic salary in 2017/18 for elected members of principal councils shall be £13,400.
2.	The Panel has determined that senior salary levels in 2017/18 for members of principal councils shall be as set out in table 2 (page 15).
3.	The Panel has determined that (where paid) civic salaries at the following levels are payable (Table 3, page 17) and will be applied by principal councils as each considers appropriate, taking account of the anticipated workloads and responsibilities.
4.	The Panel has determined that, where appointed and if remunerated, a presiding member must be paid a Band 3 Level 1 senior salary. This post will count towards the cap.
5.	The Panel has determined that the post of deputy presiding member will not be remunerated.
6.	The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone and email facilities and electronic access to appropriate information.
7.	The Panel has determined that such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and/or efficiency of members.
Specific or Additional Senior Salaries	
8.	The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.
Joint Overview and Scrutiny Committees	
9.	The chair of a Joint Overview and Scrutiny Committee is eligible for a salary equivalent to that part of a Band 3 Level 2 senior salary that remunerates a committee chair of a principal authority (£6,700).
10.	In cases where the chair is already in receipt of a senior salary for a Band 3, 4 or 5 role the payment will be £3,350.

11.	The chair of a sub committee of a JOSOC is eligible for a salary of £1,675.
12.	In cases where the chair of the sub committee is already in receipt of a senior salary for a Band 3, 4 or 5 role the payment will be £837.
13.	Payments to chairs of task and finish sub committees are to be pro-rated to the duration of the task.
14.	Payments made to a chair of a JOSOC, or a chair of a sub committee of a JOSOC, are additional to the maximum proportion of the authority's membership eligible for a senior salary. It should be noted that the statutory limit of no more than 50% of a council's membership receiving a senior salary applies (Section 142 (5) of the Measure).
15.	A deputy chair of a JOSOC or sub committee is not eligible for payment.
16.	Co-optees to a JOSOC or to a sub committee are not eligible for a co-opted member fee unless they are appointed by an authority under Section 144(5) of the Measure.
Local Government Pension Scheme	
17.	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.
Family Absence	
18.	An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.
19.	When a senior salary holder is eligible for family absence, he/she will continue to receive the salary for the duration of the absence.
20.	It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.
21.	If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.
22.	When a Council agrees a paid substitution for family absence, the Panel must be informed, within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.
23.	The Council's schedule of remuneration must be amended to reflect the implication of the family absence.

National Park Authorities	
24.	The basic salary for NPA ordinary members should be £3,625
25.	The senior salary of the chair of an NPA should be £12,325
26.	An NPA senior salary can be paid to a Deputy Chair, and up to two committee chairs where there is significant and sustained responsibility. This can be paid at either of the following levels to be decided by the authority to reflect the appropriate responsibility: £6,025 or £7,325
27.	The Panel has determined to include a provision for NPAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
28.	Members must not receive more than one NPA senior salary.
29.	An NPA senior salary is paid inclusive of the NPA basic salary and must reflect significant and sustained responsibility
30.	Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA to which they have been appointed.
Fire and Rescue Authorities	
31.	The basic salary for FRA ordinary members should be £1,715
32.	The senior salary of the chair of an FRA should be £10,415.
33.	An FRA senior salary can be paid to the deputy chair and up to two chairs of committees where there is significant and sustained responsibility. This should be paid at £5,415.
34.	The Panel has determined to include a provision for FRAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
35.	Members must not receive more than one FRA senior salary.
36.	An FRA senior salary is paid inclusive of the FRA basic salary and must reflect significant and sustained responsibility.
37.	Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any FRA to which they have been nominated.
Co-Opted Members	
38.	Principal councils, NPAs and FRAs must pay the following fees to co-opted members (Table 6, page 33) (who have voting rights).
39.	Reasonable time for pre meeting preparation is eligible to be included in claims made by co-opted members the extent of which can be determined by the

	appropriate officer in advance of the meeting.
40.	Travelling time to and from the place of the meeting can be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).
41.	The appropriate officer within the authority can determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.
42.	Meetings eligible for the payment of fees include other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.
Reimbursement of Costs of Care	
43.	All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the carer.
Community and Town Councils	
44.	Community and town councils are authorised to make a payment to each of their members of a maximum amount of £150 per year for costs incurred in respect of telephone usage, information technology, consumables etc.
45.	Community and town councils are authorised to make an annual payment not exceeding £500 each to up to 3 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses if that is made.
46.	Community and town councils are authorised to provide a civic allowance to the mayor/chair of the council at an amount that they deem appropriate to undertake the functions of that office. This is in addition to the £150 payment for costs and expenses if that is made.
47.	Community and town councils are authorised to provide a civic allowance to the deputy mayor/deputy chair of the council at an amount that they deem appropriate to undertake the functions of that office. This is in addition to the £150 payment for costs and expenses if that is made.
48.	Community and town councils are authorised to make payments to each of their members in respect of travel costs for attending approved duties. Such payments must be the actual costs of travel by public transport or the HMRC mileage allowances as below:

	<ul style="list-style-type: none"> - 45p per mile up to 10,000 miles in the year. - 25p per mile over 10,000 miles. - 5p per mile per passenger carried on authority business. - 24p per mile for private motor cycles. - 20p per mile for bicycles.
49.	<p>If a community or town council resolves that a particular duty requires an overnight stay, it may authorise reimbursement of subsistence expenses to its members at the maximum rates set out below on the basis of receipted claims:</p> <ul style="list-style-type: none"> - £28 per 24-hour period allowance for meals, including breakfast where not provided. - £200 – London overnight - £95 – elsewhere overnight. - £30 – staying with friends and/or family overnight.
50.	<p>Community and town councils are authorised to pay financial loss compensation to each of their members, where such loss has actually occurred, for attending approved duties as follows:</p> <ul style="list-style-type: none"> - Up to £33.00 for each period not exceeding 4 hours: - Up to £66.00 for each period exceeding 4 hours but not exceeding 24 hours.
51.	<p>Community and town councils are authorised to provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the carer.</p>

Annex 2: Independent Remuneration Panel for Wales (IRPW) Regulations:

- a) for the remuneration of members and co-opted members of relevant authorities**
- b) for functions relating to the salaries of Heads of Paid Service of Principal Councils and Fire and Rescue Authorities**
- c) Chief officers of Principal Councils**

Introduction

Part 8 (sections 141 to 160) and schedules 2 and 3 of the Local Government (Wales) Measure 2011 (*the Measure*) set out the arrangements for the payments and pensions for members of relevant authorities and the functions and responsibilities of the Independent Remuneration Panel for Wales (the Panel).

Sections 62 to 67 of the Local Government (Democracy) (Wales) Act 2013 amends sections 142, 143, 144, 147, 148 and 151 of the Measure and confers additional powers on the Panel.

The powers contained in part 8 and schedules 2 and 3 of the Measure (as amended) have replaced the following Statutory Instruments:

- The Local Authorities (Allowances for Members of County and County Borough Councils and National Park Authorities) (Wales) Regulations 2002 (No. 1895 (W.196)).
- The Local Authorities (Allowances for Members of Fire Authorities) (Wales) Regulations 2004 (No. 2555 (W.227)).
- The Local Authorities (Allowances for Members) (Wales) Regulations 2007 (No.1086 (W.115)).

The Measure also has replaced the sections of the Local Government Act 1972, the Local Government and Housing Act 1989 and the Local Government Act 2000 relating to payments to councillors in Wales.

Allowances for members of community and town councils are set out in Part 5 of these Regulations. The Local Authorities (Allowances for Members of Community Councils) (Wales) Regulations 2003 (No. 895(W.115)) were revoked from 1st April 2013.

Part 1

General

1. a. The short title of these Regulations is: “IRPW Regulations”.

- b. The IRPW Regulations came into force on 1 April 2012. The implementation date for each of the relevant authorities is set out in the Annual Report or Supplementary Report of the Panel.
- c. Authorities are required to produce a schedule of payments to members and co-opted members no later than the 31st July each year, for submission to the Panel and publication (see paragraph 46).

Interpretation

2. In the IRPW Regulations:

- “The 1972 Act” means the Local Government Act 1972.
- “The 2000 Act” means the Local Government Act 2000.
- “The 2013 Act” means the Local Government (Democracy) (Wales) Act 2013.
- “Allowance” means the actual or maximum amount which may be reimbursed to members and co-opted members of a relevant authority for expenses necessarily incurred when carrying out the official business of the relevant authority.
- “Annual report” means a report produced by the Panel in accordance with section 145 of the Measure.
- “Approved duty” in relation to community and town councils has the meaning as set out in Part 5 of these Regulations.
- “Attendance Allowance” in relation to community or town councils has the meaning set out in Part 5 of these Regulations.
- “Authority” means a relevant authority in Wales as defined in Section 144(2) of the Measure, and includes a local authority (county or county borough council), a national park authority and a Welsh fire and rescue authority, a community or town council.
- “Basic Salary” has the same meaning as set out in paragraph 6 of these Regulations, and may be qualified as “LA Basic Salary” to refer to the basic salary of a member of a principal council; “NPA Basic Salary” to refer to the basic salary of a member of a national park authority; and “FRA Basic Salary” to refer to the basic salary of a member of a Welsh fire and rescue authority.
- “Chief Officer” of a principal authority has the meaning as defined in the Localism Act 2011
- “Civic Head” is the person elected by the council to carry out the functions of the chair of that council and is designated as mayor or chair.
- “Committee” includes a sub-committee.
- “Community or town council” means in relation to Part 8 of the Measure, a community council as defined in section 33 of the Local Government Act 1972 or a town council in accord with section 245B of the same Act.

- “Consultation draft” means the draft of an Annual or Supplementary report under Section 146 (7) or 147(8) of the Measure, representations on which must be taken into account by the Panel.
- “Constituent authority” – for national park authorities this is a local authority falling within the area of a national park authority; for Welsh fire and rescue authorities it is a local authority falling within the area of a fire and rescue authority.
- “Controlling group” means a political group in a local authority where any of its members form part of the executive.
- “Co-opted Member” has the meaning contained in section 144 (5) of the Measure, that is those with the right to vote on matters within the purview of the committee on which they serve.
- “Co-opted Member fee” has the same meaning as set out in paragraph 19 of these Regulations.
- “Costs of Care” has the same meaning as set out in paragraph 21 of these Regulations.
- “Democratic Services Committee” means the local authority committee established under section 11 of the Measure.
- “Deputy Civic Head” is a person elected by the council to deputise for the mayor or chair of that council.
- “Executive” means the executive of an authority in a form as specified in sections 11(2) to (5) of the 2000 Act, as amended by section 34 of the Measure.
- “Executive arrangements” has the meaning given by section 10(1) of the 2000 Act.
- “Family absence” as defined in Section 142 (2) (b) of the Measure has the meaning given to it by Part 2 of the Measure, and contained in the Regulations relating thereto.
- “Financial Loss Allowance in relation to community or town councils has the meaning as set out in Part 5 of the Regulations.
- “Fire and rescue authority” means an authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies.
- “Head of paid service” means as designated under section 4(1) of the Local Government and Housing Act 1989.
- Joint Overview and Scrutiny Committee means a committee or sub committee set up by two or more principal councils under the Local Authority (Joint Overview and Scrutiny Committees) (Wales) Regulations 2013.
- “Largest opposition group” means a political group other than a controlling group which has a greater number of members than any other political group in the authority.

- “Local authority” means a county or county borough council.
- “Member” means in respect of a local authority or a community or town council a person who has been elected to serve as a councillor for that authority; for a national park authority means a member appointed by a constituent authority and also a person appointed by Welsh Ministers; for Welsh fire and rescue authorities means a member appointed by a constituent authority.
- “National Park Authority” means a national park authority established under section 63 of the Environment Act 1995.
- “Official business” has the meaning contained in Section 142 (10) of the Measure in relation to the payment of allowances for care, travel and subsistence as reimbursement of expenses necessarily incurred by members and co-opted members of a relevant authority (excluding community and town councils) when:
 - a. Attending a meeting of the authority or any committee of the authority or any body to which the authority makes appointments or nominations or of any committee of such a body.
 - b. Attending a meeting of any association of authorities of which the authority is a member.
 - c. Attending a meeting the holding of which is authorised by the authority or by a committee of the authority or by a joint committee of the authority and one or more other authorities.
 - d. Attending any training or development event approved by the authority or its executive.
 - e. A duty undertaken for the purpose of or in connection with the discharge of the functions of an executive within the meaning of Part 2 of the 2000 Act, as amended.
 - f. A duty undertaken in pursuance of a standing order which requires a member or members to be present when tender documents are opened.
 - g. A duty undertaken in connection with the discharge of any function of the authority to inspect or authorise the inspection of premises.
 - h. A duty undertaken by members of principal councils in connection with constituency or ward responsibilities which arise from the discharge of local authority functions.
 - i. Any other duty approved by the authority, or any duty of class so approved, undertaken for the purpose of, or in connection with, the discharge of the functions of the authority or any of its committees.
- “Other political group” means a political group other than a controlling group or the largest opposition group (if any) which comprises not less than ten per cent of the members of that authority.

- “Overview and Scrutiny Committee” means a committee of the authority which has the powers set out in sections 21(2) and (3) of the 2000 Act, as amended by Part 6 of the Measure.
- “Panel” means the Independent Remuneration Panel for Wales as set out in section 141(1) and schedule 2 of the Measure.
- “Pay policy statement” means a statement produced by a relevant authority under section 38 of the Localism Act 2011.
- “Presiding Member” means a member of a principal council who has been designated by that council to carry out functions in relation to the chairing of its meetings and proceedings.
- “Principal council” means a county or county borough council.
- “Proper officer” has the same meaning as in section 270(3) of the 1972 Act.
- “Public body” means a body as defined in section 67(b) of the 2013 Act.
- “Qualifying provision” means a provision that makes a variation to a previous decision of the Panel. (Section 65 (c) of the 2013 Act).
- “Qualifying relevant authority” is an authority within the meaning of section 63 of the 2013 Act, required to produce a pay policy statement.
- “Relevant authority” is set out in Section 144(2) of the Measure (as amended) and in section 64 of the 2013 Act and, for the purposes of these Regulations, includes a local authority/principal council, a community or town council, a national park authority and a Welsh fire and rescue authority.
- “Relevant matters” are as defined in Section 142(2) of the Measure.
- “Schedule” means a list setting out the authority’s decisions in respect of payments to be made during the year (as relating to that authority) to all members and co-opted members of that authority.
- “Senior Salary” has the same meaning as set out in paragraph 11 of these Regulations and may be qualified as “Local Authority/Principal council Senior Salary” to refer to the senior salary of a member of a principal council; “National Park Senior Salary” to refer to the senior salary of a member of a national park authority; or “Fire and Rescue authority Senior Salary” to refer to the senior salary of a member of a Fire and Rescue authority.
- “Sickness absence” means the arrangements as set out in the Annual Report.
- “Supplementary report” has the meaning contained in section 146(4 to 8) of the Measure.
- “Travelling and subsistence allowance” has the same meaning as set out in paragraph 25 of these Regulations.
- “Year” has the following meanings:

“financial year” – the period of twelve months ending 31 March;

“calendar year” – the period of twelve months ending 31 December;

“municipal year” – the year commencing on the date of the annual meeting of the local authority and ending the day before the annual meeting of the following year; for national park authorities and Welsh fire and rescue authorities it is the period of up to twelve months following the annual meeting of the authority.

Part 2: Schedule of member/co-opted member remuneration

Commencement of term of office

3. The term of office of:

- A member of a local authority or community or town council begins on the date which that member makes a declaration of acceptance of that office under section 83(1) of the 1972 Act.
- A councillor member of a national park authority begins on the date on which that member is appointed as such by a constituent authority and the term of office of a Welsh Government appointed member begins on the date of that appointment. The term of office of the chair and deputy chair of the national park authority begins on the date of election by that authority to that office.
- A councillor member of a Welsh fire and rescue authority begins on the date on which that member is appointed as such by a constituent authority and the term of office of the chair and deputy chair of the fire and rescue authority begins on the date of election by that authority to that office.
- A co-opted member of a relevant authority begins on the date of appointment by the relevant authority.

Schedule of member remuneration (the Schedule) (does not apply to community or town councils – see Part 5)

4. An authority must produce annually, a schedule of payments it intends to make to its members and co-opted members. The amount of those payments must accord with the Panel’s determinations made for that year in its Annual or Supplementary Reports. The Schedule must be produced no later than four weeks following the annual meeting of the authority.

Amendment to the Schedule

5. An authority may amend the Schedule at any time during the year (as relating to the authority) provided that such amendments accord with the Panel’s determinations for that year.

Basic salary

6. An authority must provide for the payment of a basic salary, as determined by the Panel in its Annual or Supplementary Reports, to each of its members. The amount of the salary must be the same for each member. For principal councils only, this salary remains payable during a period of family absence.
7. A member may not receive more than one basic salary from a relevant authority, but a member of one relevant authority may receive a further basic salary by being appointed as a member of another relevant authority (except in the case as indicated in paragraph 16).
8. The amount of the basic salary will be set in accordance with Section 142(3) of the Measure and will be one of the following:
 - The amount the authority must pay to a member of the authority.
 - The maximum amount that the authority may pay to a member of the authority.
9. Where the term of office of a member begins or ends other than at the beginning or end of the year (as relating to the authority), the entitlement of that member is to such proportion of the basic salary as the number of days during which the member's term of office subsists during that year bears to the number of days in that year.
10. Where a member is suspended or partially suspended from being a member of an authority (Part 3 of the 2000 Act refers) the part of the basic salary payable to that member in respect of the responsibilities or duties from which that member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).

Senior salary

11. Subject to paragraphs 12 to 18 an authority can make payments of a senior salary to members that it has given specific responsibilities. Such payments must accord with the Panel's determination for the year (as relating to the authority) that the payments are made and must be set out in the Schedule of that authority. For principal councils only, a senior salary will remain payable during the family absence of the office holder.
12. The Panel will prescribe in its Annual or Supplementary Reports the following:
 - The categories of members eligible for the payment of a senior salary which may not be the same for all authorities or categories of authorities.
 - The discretion available to authorities in relation to the payment of senior salaries which may not be the same for all authorities or categories of authorities.

13. The amount of the senior salaries payable will be in accordance with section 142(3) of the Measure and specify:
 - The amount that a relevant authority must pay to a member of the authority.
 - The maximum amount that a relevant authority may pay to a member of the authority.
14. The Senior Salary will comprise an amalgam of the basic salary and an additional amount for the relevant specific responsibility determined by the Panel in its Annual or Supplementary Reports. This may not be the same for all authorities or categories of authorities.
15. The Panel in its Annual or Supplementary Reports will determine either the maximum proportion of its membership or the total number of members that an authority can pay as senior salaries. The percentage may not exceed fifty percent without the express approval of Welsh Ministers (Section 142(5) of the Measure). For principal councils only, the maximum proportion or number may be exceeded to include payment of a senior salary to an additional member who is appointed to provide temporary cover for the family absence of a senior salary office holder (subject to the 50% limit).
 - 15(a). For principal councils, Fire and Rescue Authorities and National Park Authorities the maximum proportion or number may be exceeded to include the payment of a senior salary to an additional member who is appointed to provide temporary cover for the sickness absence of a senior salary holder as determined in the Annual Report or a Supplementary Report.
 - 15(b). Payments to chairs of Joint Overview and Scrutiny Committees or Sub Committees are additional to the maximum proportion of its membership that an authority can pay as senior salaries subject to the overall maximum of fifty percent as contained in Section 142(5) of the Measure. The Panel will determine the amounts of such payments in an Annual or Supplementary Report.
16. An authority must not pay more than one senior salary to any member. A principal council member in receipt of a senior salary as leader or executive member of a local authority (determined as full-time by the Panel) may not receive a second salary as a member appointed to serve on a national park authority or a Welsh fire and rescue authority.
 - 16(a). Paragraph 16 does not apply to payments made to a chair of a Joint Overview and Scrutiny Committee or Sub Committee who is in receipt of a senior salary for a role that is not classified as full time equivalent. It continues to apply to leaders or members of the executive.
17. Where a member does not have, throughout the year specific responsibilities that allow entitlement to a senior salary, that member's payment is to be such proportion of the salary as the number of days during which that member has such special responsibility bears to the number of days in that year.

18. Where a member is suspended or partially suspended from being a member of the authority (Part 3 of the 2000 Act refers) the authority must not make payments of the member's senior salary for the duration of the suspension (Section 155(1) of the Measure). If the partial suspension relates only to the specific responsibility element of the payment, the member may retain the basic salary.

Co-opted member payment

19. A relevant authority must provide for the payment of a fee to a co-opted member as determined by the Panel in its Annual or Supplementary Reports. In relation to this regulation 'co-opted member' means a member as determined in Section 144(5) of the Measure and set out in paragraph 2 of these Regulations.
20. Where a co-opted member is suspended or partially suspended from an authority (Part 3 of the 2000 Act refers) the authority must not make payment of a co-opted member fee for the duration of the suspension (Section 155(1) of the Measure).

Allowances

Costs of Care

21. Authorities must provide for the payment to members and co-opted members of an authority the reimbursement in respect of such expenses of arranging the care of children or dependants or for the individual member as are necessarily incurred in carrying out official business as a member or co-opted member of that authority. Payments under this paragraph must not be made:
- In respect of any child over the age of fifteen years or dependant unless the member/co-opted member satisfies the authority that the child or dependant required supervision which has caused the member to incur expenses that were necessary in respect of the care of that child or dependant in the carrying out of the duties of a member or co-opted member.
 - To more than one member/co-opted member of the authority in relation to the care of the same child or dependant.
 - Of more than one reimbursement for care to a member or co-opted member of the authority who is unable to demonstrate to the satisfaction of the authority that the member/co-opted member has to make separate arrangements for the care of different children or dependants.
22. The maximum amount of the cost of care payable by an authority is to be determined by the Panel in its Annual or Supplementary Reports.
23. Where a member/co-opted member is suspended or partially suspended from being a member or co-opted member of the authority (Part 3 of the 2000 Act

refers) the part of the reimbursement of the cost of care payable to that member/co-opted member in receipt of the responsibilities or duties from which that member/co-opted member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).

24. An authority's Schedule must stipulate the maximum amount of the reimbursement of costs of care payable each month and its arrangements for making claims, taking full account of the Panel's determinations in this respect.

Travel and subsistence allowances

25. Subject to paragraphs 26 and 27 below a member or co-opted member is entitled to receive payments from the authority by way of travelling and subsistence allowances at rates determined by the Panel in its Annual or Supplementary Reports. Such allowances are in respect of expenditure incurred by a member or co-opted member in the performance of the official business of the authority.

(Paragraphs 26 & 27 apply only to principal councils)

26. Payment of a subsistence allowance to a local authority member for the performance of official business within the boundaries of a county or county borough where s/he is a member should only be made when the authority is satisfied that it can be justified on economic grounds. This does not apply in respect of co-opted members of a local authority who live outside that authority.
27. A local authority may make provision, subject to any limitations it thinks fit, for members to claim mileage expenses for official business in connection with constituency or ward responsibilities where they arise out of the discharge of the functions of the county or county borough.
28. Where a member or co-opted member is suspended or partially suspended from being a member or co-opted member of the authority (Part 3 of the 2000 Act refers), travelling and subsistence allowances payable to that member/co-opted member in respect of the responsibilities or duties from which that member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).

Part 3: Further provisions

Pensions

29. Under Section 143 of the Measure, the Panel may make determinations in respect of pension arrangements for local authority members in its Annual or Supplementary Reports. Such determinations may:

- Describe the description of members for whom a local authority will be required to pay a pension.
- Describe the relevant matters in respect of which a local authority will be required to pay a pension.
- Make different decisions for different principal councils.

Allowances to support the function of a local authority member

30. A local authority must provide for the requirements of a member to undertake their role and responsibilities more effectively. The way in which this support should be provided is determined by the Panel in its Annual or Supplementary Reports.

Payment of expenses for official and courtesy visits

31. The arrangements contained in Section 176 of the Local Government Act 1972 will continue to apply but no payment may be made to a person under that arrangement when a payment has been made to that person pursuant to any payment made under these Regulations.

Arrangements in relation to family absence

32. Part 2 of the Measure sets out the rights of local authority members in relation to family absence. The Panel will set out its determinations and the administrative arrangements in relation to the payment of salaries and allowances by principal councils in this respect in its Annual or Supplementary Reports.

Sickness Absence

- 32(a) Arrangements in respect of the long term sickness absence of senior salary holders of principal authorities, Fire and Rescue Authorities and National Park Authorities will be as set out in the Panel's Annual Report or Supplementary Report.

Part 4: Salaries, allowances or fees

Repayment of salaries, allowances or fees

33. An authority must require that such part of a salary, allowance or fee be repaid where payment has already been made in respect of any period during which the member or co-opted member concerned:
- is suspended or partially suspended from that member's/co-opted member's duties or responsibilities in accordance with Part 3 of the 2000 Act or Regulations made under that Act.

- ceases to be a member or co-opted member of the authority.
- or in any way is not entitled to receive a salary, allowance or fee in respect of that period.

Forgoing salaries, allowances or fees

34. Under Section 154 of the Measure, any member or co-opted member may by notice in writing to the proper officer of the authority elect to forgo any part of their entitlement to a salary, allowance or fee under the determination of the Panel for that particular year (as relating to the authority).

Part 5: Specific provisions relating to community and town councils (“the council”)

Interpretation

35. For the purposes of this Part the term member means both an elected member and a co-opted member.

Allowances

36. Allowances:
- a) The council can if it so determines make an annual payment to members in respect of costs incurred in carrying out the role of a member. The maximum amount payable will be set out in the Annual or Supplementary Report of the Panel.
 - b) The council can if it so determines make payments to members in respect of costs of travel for attending approved duties inside or outside the area of the council. The amounts claimable will be set out in the Annual or Supplementary Report of the Panel.
 - c) The council can if it so determines reimburse subsistence expenses to its members when attending approved duties inside or outside the area of the council. The arrangements for reimbursement will be set out in the Annual or Supplementary Report of the Panel.
 - d) The council can if it so determines pay compensation for Financial Loss to its members where such loss has occurred for attending approved duties outside the area of the council. The Allowances will be set out in the Annual or Supplementary Report of the Panel.
 - e) The council can if it so determines pay an allowance to the chair or mayor of the council for the purposes of undertaking the role of that office. The allowance will be set out in the Annual or Supplementary Report of the Panel
 - f) The council can if it so determines pay a responsibility allowance to a number of its members as stipulated in the Annual Report of the Panel.

- g) The council if it so determines reimburse the costs of care to a member as stipulated in the Annual Report of the Panel.
37. A member may elect to forgo any part of an entitlement to an allowance under these Regulations by giving notice in writing to the proper officer of the council.
38. A member making a claim for compensation for Financial Loss must sign a statement that the member has not made and will not make any other claim in respect of the matter to which the claim relates.
39. "Approved Duty" under this Part means
- i. Attendance at a meeting of the council or of any committee or sub-committee of the council or of any other body to which the council makes appointments or nominations or of any committee or sub-committee of such a body.
 - ii. Attendance at any other meeting the holding of which is authorised by the council or a committee or sub-committee of the council, or a joint committee of the council and one or more councils, or a sub-committee of such a joint committee provided that at least two members of the council have been invited and where the council is divided into political groupings at least two such groups have been invited.
 - iii. Attendance at a meeting of any association of councils of which the council is a member.
 - iv. Attendance at any training or development event approved by the council.
 - v. Any other duty approved the council or duty of a class approved by the council for the discharge of its functions or any of its committees or sub-committees.

Part 6: Miscellaneous

Arrangements for payments

40. The Schedule of an authority must set out the arrangements for the payment of salaries, allowances and fees to all members and co-opted members of that authority. Such payments may be made at such times and at such intervals as determined by the authority.

Claims

41. An authority must specify a time limit from the date on which an entitlement to travelling or subsistence allowance arises during which a claim for those allowances must be made by the person to whom they are payable. However, this does not prevent an authority from making a payment where the allowance is not claimed within the period specified.

42. Any claim for payment of travelling or subsistence allowance in accordance with these Regulations (excluding claims for travel by private motor vehicle) shall be accompanied by appropriate receipts proving actual expenses.

Avoidance of duplication

43. A claim for a payment of travelling allowance or subsistence allowance must include, or be accompanied by, a statement signed by the member or co-opted member that the member/co-opted member has not made and will not make any other claim in respect of the matter to which the claim relates.

Records of salaries, allowances and fees

44. An authority must keep a record of the payments made in accordance with these Regulations. Such record must:
- Specify the name of the recipient and the amount and nature of each payment.
 - Be available, at all reasonable times, for inspection (without charge) by any local government elector (within the meaning of section 270(1) of the 1972 Act) for the area of the authority.
 - Allow a person who is entitled to inspect the record to make a copy of any part of it upon payment of such reasonable fee as the authority may require.

Publicity requirements

(The required content of publicity requirements is contained in an annex to the Annual Report)

45. An authority must, as soon as practicable after determining its Schedule of Remuneration for the year under these Regulations and any Report of the Panel and not later than 31 July of the year to which the Schedule refers, make arrangements for the Schedule's publication within the authority's area. **(This section does not apply to community and town councils).**
46. As soon as practicable and no later than 30 September following the end of a year an authority must make arrangements for the publication within the authority's area, the total sum paid by it to each member/co-opted member in respect of basic salary, senior salary, co-opted member fee, reimbursement of costs of care, travel and subsistence allowances. **(This section applies to all relevant authorities).**
47. In the same timescale and in the same manner, a local authority must make arrangements for the publication of any further remuneration received by a member nominated or appointed to another relevant authority. **(This section applies only to principal councils).**

Publicising the reports of the Panel

48. Under Section 146(7) (a) and (b) of the Measure, the Panel will send a consultation draft of its Annual Report or Supplementary Report to all relevant authorities for circulation to authority members and co-opted members, so that representations can be made by members/co-opted members to the Panel, normally in a period of eight weeks.
49. The Panel will determine in its Annual or Supplementary Reports the arrangements publicising its Reports in accordance with Section 151 and 152 of the Measure.

Monitoring compliance with the Panel's determinations

50. Section 153 of the Measure determines that relevant authorities must comply with the requirements imposed by the Panel in its Annual Reports. It also empowers the Panel to monitor the payments made by relevant authorities and for it to require the provision of information that it specifies. The requirements under this section will be set out in the Annual Report of the Panel.

Annex 3: Schedule of member remuneration

1. Principal councils, national park authorities (NPAs) and Welsh fire and rescue authorities (FRAs) (but not community and town councils) must maintain an annual Schedule of Member Remuneration (the 'Schedule') which is in accord with the Panel's determinations on member salary and co-opted member payments and which must contain the following information:

In respect of a principal council:

- a. Named members who are to receive only the basic salary and the amount to be paid.
- b. Named members who are to receive a Band 1 and Band 2 senior salary, the office and portfolio held and the amount to be paid.
- c. Named members who are to receive a Band 3, Band 4 and Band 5 senior salary, the office and portfolio held and the amount to be paid.
- d. Named members who are to receive a civic salary and the amount to be paid.
- e. Named members who are to receive the co-opted member fee and whether chair or ordinary member and the amount to be paid.
- f. Named members who are to receive a senior salary as a chair of a Joint Overview and Scrutiny Committee or Sub Committee and the amount to be paid.
- g. Named members in receipt of a specific or additional senior salary approved by the Panel and the amount to be paid.

In respect of National Park and Fire and Rescue Authorities:

- a. Named members who are to receive a basic salary and the amount to be paid.
 - b. Named member who is to receive a senior salary as a chair of the authority and the amount to be paid.
 - c. Named members who are to receive a senior salary as deputy chair of a committee and the amount to be paid.
 - d. Named members who are to receive the co-opted member fee and whether a chair or ordinary member and the amounts to be paid.
2. Amendments made to the Schedule during the municipal year must be communicated to the Panel as soon as it is practicable.
 3. Principal councils must confirm in their annual Schedule that the maximum limit of senior salaries set for the council has not been exceeded.

4. Principal councils, NPAs and FRAs must include a statement of allowable expenses and the duties for which they may be claimed for care, travel and subsistence in their annual Schedule which is in accord with the Panel's determinations.
5. The Schedule must set out the arrangements for the payment of salaries, allowances and fees to all members and co-opted members of the relevant authority (IRPW Regulation 35); arrangements for making claims for care, travel and subsistence expenses (IRPW Regulations 24 and 36-37); arrangements for the avoidance of duplication (IRPW Regulation 38) and arrangements for re-payment of salaries, allowances and fees (IRPW Regulation 33). This schedule must also include the duties for which members and co-opted members are able to claim travel, subsistence and reimbursement of care costs.
6. Principal councils must declare in the Schedule whether:
 - A statement of the basic responsibility of a councillor is in place.
 - Role descriptors of senior salary office holders are in place.
 - Records are kept of councillor attendance.
7. Principal councils, NPAs and FRAs must make arrangements for the publication of the Schedule of Member Remuneration as soon as practicable after its determination and no later than 31 July of the year to which it applies. This should be sent to the Panel no later than this date. The Schedule should be published in a manner that provides ready access for members of the public.
8. The Schedule must also be sent to the Panel Secretariat to be received by 31 July.

Annex 4: Publication of Remuneration – the Panel’s Requirements

In accordance with Section 151 of the Measure the Panel requires that:

1. Relevant authorities must publish a Statement of Payments made to its members (including chairs of JOSCs or sub-committees of JOSCs). This information must be published in a form and location that is easily accessible to members of the public no later than 30 September following the end of the year to which the payments relate and in the same timescale also provided to the Panel. The following information must be provided:
 - a. The amount of basic salary, senior salary, civic salary and co-opted member fee paid to each named member/co-opted member of the relevant authority, including where the member had chosen to forego all or part of the salary, or fee for the municipal year in question. Where a senior salary has been paid, the title of the senior office held is to be provided.
 - b. The payments made by community and town councils to named members as:
 - Payments in respect of telephone usage, information technology, consumables etc.
 - Responsibility payments
 - Allowances made to a mayor/chair and deputy mayor/deputy chair
 - Compensation for Financial Loss
 - Costs incurred in respect of travel and subsistence
 - Reimbursement of the costs of care (see paragraph f below)
 - c. All travel and subsistence expenses, reimbursement of the costs of care (see paragraph f below) and other payments received by each named member and co-opted member of the relevant authority, with each category identified separately.
 - d. The amount of any further payments received by any named member nominated to, or appointed by, another relevant authority or other public body as defined by Section 67 of the Local Government (Democracy) (Wales) Act 2013, namely:
 - a local health board
 - a police and crime panel
 - a relevant authority
 - a body designated as a public body in an order made by the Welsh Ministers.
 - e. Names of members who did not receive basic or senior salary because they were suspended for all or part of the annual period to which the Schedule applies.

- f. In respect of the publication of the reimbursement of the costs of care, the Panel has decided to provide relevant authorities with two options.
 - 1) The details of the amounts reimbursed to named members; or
 - 2) The total amount reimbursed by the authority during the year but not attributed to any named member.

It is a matter for each authority to decide which of these options for publication it considers appropriate.

It is also the responsibility of each authority to establish its own position on how to respond to any Freedom of Information requests it receives with regards to reimbursement of costs of care.

- 2. Nil returns are required to be published and provided to the Panel by 30 September.

Annex 5: Ministerial Remit Letter to the Independent Remuneration Panel for Wales

John Bader
Chair
Independent Remuneration Panel for Wales
irpmailbox@wales.gsi.gov.uk



Llywodraeth Cymru
Welsh Government

17 March 2016

Dear John

Thank you for the copy of your latest Annual Report for 2016; I was pleased to note that you have not proposed any increases in remuneration for the basic or senior salary with the continual pressures that Local Authorities are facing. I was interested to see that the Panel have introduced two salary levels for Executive members to provide more flexibility at local level and to reflect the many differences in responsibilities attached to specific posts.

You are aware that the workload of the Panel is likely to increase in the foreseeable future. This will include the Panel's role in considering what remuneration is appropriate for Shadow Authorities or newly formed Councils post-merger, as set out in section 25 of the Local Government (Wales) Act 2015. I also note the Panel's temporary extension of functions in relation to salaries of chief officers in section 39 of that Act.

As a result of such changes the Panel will be enlarged to six members in June of this year. In light of such expansion I hope that the Panel will provide a comprehensive induction for new members.

I look forward to seeing how the Panel develops in the coming years, and contributes to new policy development around the remuneration of members

I also look forward to receiving your next annual report and noting the degree to which the changes to your functions have affected your work.

Yours Sincerely

Leighton Andrews AC/AM

Y Gweinidog Gwasanaethau Cyhoeddus
Minister for Public Services

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CF10 3NQ**

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The Report and other information about the Panel and its work are available on our website at:

www.remunerationpanelwales.org.uk

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White Paper

Reforming Local Government: Resilient and Renewed

Date of issue: 31 January 2017

Responses by: 23:59 on 11 April 2017

Overview

The White Paper 'Reforming Local Government: Resilient and Renewed' is the Welsh Government's statement of intent about the future of Local Government in Wales.

The proposals in this White Paper set out arrangements for regional working; describe a strengthened role for councils and councillors; provide a framework for any future voluntary mergers; and sets out the role of community councils.

How to respond

The closing date for responses is **11 April 2017**.

Responses can be submitted via the online document of consultation questions: <https://consultations.gov.wales/consultations/reforming-local-government-resilient-and-renewed>

To respond to the consultation, please either complete the online form or request the accompanying questionnaire and return it either by email:

RLGProgramme@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.

The consultation document can be accessed from the Welsh Government website at: <https://consultations.gov.wales/consultations/reforming-local-government-resilient-and-renewed>

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.

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FOREWORD



Local government plays a vitally important part in the lives of every citizen in Wales. Councils provide the services which educate our children, care for our elderly, dispose of our waste and light our streets. It faces some ongoing challenges. There is more to be done in achieving greater consistency and excellence, at a time when there will also be less money year on year for public services.

Reform is essential if Local Authorities are to be financially resilient and able to maintain and improve the quality of services during this extraordinary period of austerity. That is why change is a necessity, not a choice. But in setting out new proposals for reform we are committed to building a collective consensus around the way ahead.

Since I became Cabinet Secretary for Finance and Local Government in May 2016, I have been involved in an ongoing dialogue with Local Authorities and their partners about the change we need in order to create a resilient and renewed local government. We all recognise that the future requires us to work differently, but more importantly it requires us to work together, within the sector and with our partners to deliver high quality, responsive and integrated public services alongside those who need them.

Our focus will continue to be on supporting people when they need it most and equipping our public services to respond to the opportunities and the challenges that the current political, financial and environmental uncertainties present. But increasingly we need to look towards public services of the future, their role, and the role of citizens.

This White Paper sets out a new relationship between national and local government. One where there is a mutual understanding and recognition of respective roles and interests, and where all partners are given the space to maximise the positive impact they have through working with citizens on mutually agreed agendas. It sets out a new approach to reform focused on greater regional working. It sets a framework for local government to work within, providing a menu of options that local government can use, based on their local circumstances and strengths. It also highlights those proposals previously consulted upon which received broad support and which we intend to take forward within this new legislative proposal.

The Well-being of Future Generations Act with its ways of working and wellbeing goals will help to bring a shared focus to this work, one where we can all work together to deliver long term benefits to Wales.

A handwritten signature in black ink that reads 'Mark Drakeford'.

Professor Mark Drakeford
Cabinet Secretary for Finance and Local Government

1. INTRODUCTION

- 1.1.1 The Well-being of Future Generations (Wales) Act 2015 ('WFG Act') sets the scene for the Wales we want. It clearly sets out the longer term goals public services in Wales are working towards, and the ways of working that public services should adopt to achieve them. Within this vision for Wales' long term future, Welsh Government will work with others to set out the key priorities for public services.
- 1.1.2 We are clear that it is not our role to prescribe in detail how those priorities should be achieved; that is for those directly engaged in the delivery of services to determine. Proposals for reform cannot and should not be developed and delivered by Welsh Government alone. Shared leadership, political and at officer level, are essential to secure a successful future for local government in Wales.
- 1.1.3 Local government touches the lives of each and every individual in Wales; its residents and its visitors. Local government is there to support individuals, families and communities when they need help most, empowering them to remain independent or take back their independence as quickly as possible. But also to deliver services that everyone uses, for example schools giving children the best start in life, the safe collection and disposal of waste, and the roads and pavements we drive and walk on. Every Local Authority excels in something, most are good at many things, none is good at everything. It is vital we, collectively, continue to build resilience and support renewal in local government so local people and communities are supported to thrive.
- 1.1.4 Following consultation on the White Paper 'Power to Local People'¹, the previous Welsh Government set out proposals for local government reform in the 'Draft Local Government (Wales) Bill' ("the Draft Bill"), in November 2015. The majority of the proposals in the Draft Bill were well supported and welcomed by the public service and wider stakeholders as a positive step in providing greater freedom and flexibility in the development and delivery of services. However, it was clear that proposals for wide ranging mergers were not supported and are therefore no longer being pursued.
- 1.1.5 The drivers for change however remain clear. We need to support Local Authorities to address the financial challenges faced by public services and enable the ongoing delivery of better outcomes for local people and the improvement of communities.
- 1.1.6 Since the National Assembly for Wales elections in May 2016, the Welsh Government has been in dialogue with local government and wider partners about the case for reform and possible approaches we could adopt to build resilience. The Cabinet Secretary for Finance and Local Government has met the Leaders and Chief Executives of Local Authorities on several occasions on a one to one basis, in small groups and in the WLGA Regional Partnership Boards. Officials have discussed proposals directly with groups representing key service areas, for example the Directors of Public Protection, Association of Directors of Education in Wales, Association of Directors of Social Services, Society of Welsh Treasurers, and Lawyers in local government. Three workshops took place for Local Authority officers to discuss the proposals, we were joined by wider public service partners to

¹ <http://gov.wales/docs/dsjlg/consultation/150203ajlgwer36-local-people-fullv2-en.pdf>

explore the implications for them. Through the WLGA, we have sought views from Elected Members through a series of three independently facilitated workshops.

- 1.1.7 We are clear that, in line with the ways of working set out in the Future Generations Act, our approach to reform must continue to be developed in partnership with those delivering public services. This way of working and the need for reform to be a shared solution to the challenges we face as a public service will continue to underpin our approach as we consult on this White Paper and develop our proposals further in the light of consultation responses.
- 1.1.8 Discussions during the summer of 2016 highlighted that there remains a need and an appetite for reform, supported by greater regional working, building on the majority of the proposals previously consulted upon. Building resilience is essential if Local Authorities are to meet the challenges ahead. We have heard that greater regional working will allow Local Authorities to undertake service planning, commissioning and delivery at an appropriate scale.
- 1.1.9 We want to develop a more equal partnership with citizens. The role of public services should be to support people to live independent lives and to seek to de-escalate demand, intervening only when necessary and only for as long as required. In doing so, the focus inevitably shifts to prevention and a public service which is able to put more effort into helping people to avoid crisis, rather than one which is focused on supporting people in crisis. This is about creating prudent public services for the future.
- 1.1.10 Working in this way will represent change for public services and citizens alike. In order to support this work, the Welsh Government has asked the Effective Services Group² to build on the 'Prudent Healthcare Principles'³ and develop a set of 'Prudent Public Service Principles' that can be used by organisations across the public service to help recast the role and relationship between services and individuals. We are already making hugely positive impacts on the daily lives of people in Wales. We need to continue on this journey to deliver the Wales that we all want in the future.
- 1.1.11 This White Paper sets out some of the new proposals that have emerged in discussions with Elected Members, officers and the wider public service. The proposals in this White Paper set out arrangements for regional working; describe a strengthened role for Councils and Councillors; provide a framework for any future voluntary mergers; and sets out the role of Community Councils.
- 1.1.12 This White Paper also outlines the initial steps for financial reform. Work is underway to develop comprehensive proposals for the reform of the finance system in local government. This will be consulted upon in due course. Annex One sets out a brief summary of these proposals and their current status. Where there are significant changes to a previous proposal they are discussed within this White Paper.

² <http://gov.wales/topics/improving-services/effective-services-group/?lang=en>

³ <http://gov.wales/topics/health/nhs-wales/prudent-healthcare/?lang=en>

2. REGIONAL WORKING

2.1 Rationale for Regional Working

- 2.1.1 The Well-being of Future Generations Act requires us to take a different approach to working. It asks the public service to be more holistic in its decision making, taking a much broader perspective and recognising the interdependencies that exist and the importance of working together and with citizens.
- 2.1.2 There are already many collaborations which plan, commission and deliver services right across Wales. We want to build on these successes, learn from what has worked and what hasn't and consolidate this learning into more ambitious regional working. We have heard from local government, and the wider public service, that more could, and should be done together. We want to build on this.
- 2.1.3 Discussions with local government Leaders and Chief Executives show there is enthusiasm for greater regional working, and it is clear that there are a number of areas where a more systematic approach to regional working would benefit local people and communities. Regional working is not easy. It requires commitment and dedication; it must be built on a foundation of trust and willingness to compromise for the greater good. It requires clarity of purpose about what the collaboration is trying to achieve, and also clarity regarding roles and responsibilities, governance, accountability and financing mechanisms; not just for the organisations delivering services, but for the people receiving services.
- 2.1.4 When considering collaborative arrangements we should think carefully about the benefits, and sometimes disadvantages of regional working. Regional working should achieve better outcomes for people and communities in the short term; a greater focus on prevention and de-escalation to bring about better outcomes over the much longer term, opportunities to transform and refocus services on a larger scale, or by the more efficient deployment of scarce or specialist resources. There should be practical benefits too; economies of scale; removing duplication; reducing complexity; simplifying activity and ensuring consistency. As well as workforce resilience, particularly in highly specialised areas or areas with very small numbers of staff. Regional working has the potential to offer staff more varied experiences and career opportunities.
- 2.1.5 Regional working must result in better outcomes, and/ or improve the resilience of services. That may mean that the cost of delivery might be the same, but the service is more resilient: or possibly the cost is higher, but the outcome is considerably improved: or the cost of delivery is reduced and service outcomes are maintained. It may be that collaborative working can result in service transformation which would not have been achieved at a smaller scale.

2.2 Considering Regional Working

- 2.2.1 Discussions with Local Authorities underline that working on a regional basis should not be undertaken for the sake of it. There needs to be consideration of the appropriateness for regional working. In response, Welsh Government has developed a series of 'tests' that could help inform these considerations.

These ‘tests’ are made up of a series of questions about the nature, challenges and opportunities of regional working. This will then give a clearer sense of whether the function, service area or activity, or a part of them, is potentially suited to regional delivery. It may be the case that a given service area looks positive for regional working on one or two tests but less strong on others. This is inevitable and emphasises the need for decisions to be informed by engagement with practitioners, Local Authority Elected Members and officers, the public and wider partners.

‘TESTS’

Underpinning tests

- Will regional working help to improve or maintain outcomes?
- Is this an area which should be done locally?
- Are there linkages with other service areas?
- Are benefits likely?

Tests for regional working

- *Will it improve the resilience of the service?*
For example, a service area with known sustainability challenges such as a significant reduction in budgets / staffing? Or perhaps an area with episodic but critical and unavoidable activities?
- *Will it improve the capacity and capability in the service, particularly at senior levels?*
For example, would regional working resolve issues in an area where it has been difficult to recruit (at either specialist or senior level)?
Or would regional working allow more strategic use of resources to plan, commission or deliver the service on a larger footprint?
- *Will it make a service or activity viable?*
For example, is this an area which is not viable at a smaller scale?
- *Will it offer economies of scale or greater efficiencies?*
For example, is it more efficient to deliver regionally and has scope to deliver savings?
- *Will this help increase public value?*
For example, would regional working offer the opportunity to make it easier to do the right thing or to increase ambition for what can be achieved?
- *Is this an area where Local Authority boundaries get in the way of the service a citizen might want?*
- *Is this a new service or expanded area of responsibility?*
For example, where there are no local arrangements in place yet.
- *Is there good practice that can be expanded on?*
Is there effective regional working already in place in one (or more) areas which make the case for undertaking the service on a regional basis across Wales?
- *Is this an area where joint working with partners is important and where partners operate on a different (and larger) regional footprint?*
For example, is this an area with significant interaction with other partners and regional arrangements would make joining up easier and enable more effective integration of services?

Consultation Question 1:

The Welsh Government believes that it is appropriate to consider ‘tests’ to frame thinking around regional working. Do you think the ‘tests’ set out are helpful in guiding thinking? What other tests or considerations might also be used?

2.3 Proposed Functions for Regional Working

- 2.3.1 The proposals for mandatory and systematic working in this White Paper offer an opportunity to strengthen, regularise and simplify the existing arrangements between Local Authorities. Enabling Local Authorities to delegate decisions to be made at a regional level with strong democratic governance and oversight, including scrutiny, will strengthen their ability to operate consistently with other partners. Decision making at regional levels, should enable specialist and other resources to be deployed effectively to identify and meet the needs of people in each region including by increasing the focus on prevention. It will make integrated working more straightforward and effective for other partners and improve outcomes for people. It should also provide for greater alignment with the regional delivery of other services.
- 2.3.2 We have set out a number of areas where we are proposing to require regional working. There are a number of other areas where we have heard there are likely to be some opportunities for regional working, but there needs to be more discussion with practitioners, therefore we have set out a number of areas where more exploration of regional working would be useful.

Requiring Regional Working

Economic Development

- 2.3.3 Local Authorities in Wales have a range of powers and functions in relation to economic development and the economic wellbeing of their areas. They have considerable discretion as to how they exercise these functions and there is substantial variation in the extent to which Authorities engage in economic development and the manner in which they do so. Many Authorities, and other stakeholders, have commented that the current administrative geography of Local Authorities does not provide a natural or effective scale for a coherent approach to economic development, in terms of both the area across which functions are carried out and the capacity and capability of individual Authorities to plan and implement economic development in a strategic way. The scope to develop the conditions which attract business investment, to skill up and house the workforce and to provide the integrated transport and infrastructure needed to support growth is inhibited by the lack of scale and capacity in the current arrangements.
- 2.3.4 The Welsh Government and local government are already responding to the insufficiency of the current Local Authority structure by building the broader regional partnerships designed to nurture economic development which are emerging from the city deal and city region approaches. Purposeful regional arrangements around the Cardiff Capital Region City Deal, Swansea Bay City Deal and the North Wales Economic Ambition Board are taking shape. Ceredigion and Powys are not covered by city deal proposals but are leading the Growing Mid-Wales partnership. We propose to adopt these arrangements as a basis for the regional delivery of economic development functions (including employment and skills development) and to include

economic development in the list of functions to be carried out on a mandatory and systematic basis.

- 2.3.5 Welsh Government are seeking views on the functions that might be exercised on a regional basis to contribute to the economical development of the region. Comments regarding the functions, either in terms of the broad nature of functions or by reference to individual statutory functions, are welcomed. We would also welcome views as to whether the geography of the proposed regional arrangements for these functions offers the most effective structure to secure economic prosperity.

Transport

- 2.3.6 Local Authorities have a number of powers and duties in relation to transport and it is widely recognised that there are merits in preparing strategic plans for transport provision on a regional basis, as is currently the case for North Wales, Mid Wales, South West Wales and South East Wales, taking account of the pattern of demand and providing for integration of transport infrastructure and service delivery. Regional transport plans are already being prepared for the majority of Wales. We are seeking views on whether other transport functions would be well-suited to regional delivery.
- 2.3.7 There is already considerable alignment between the economic development, transport and strategic planning functions of local authorities, with the city deal and economic growth footprints, referred to in the section on economic development, providing the clearest basis for future delivery. We propose to adopt these regions as the footprint for future transport planning, recognising that regional transport plans are currently being prepared on a different geographical basis. We are seeking views on the proposed footprint and whether a different model might be more appropriate for transport functions, particularly in Mid Wales (Ceredigion and Powys).

Land Use Planning and Building Control

Land Use Planning

- 2.3.8 We propose that land use planning be undertaken in future on a regional basis. Between 2009/10 and 2016/17 resources devoted to the planning function declined by 53%⁴, the largest reduction of any Local Authority service area. At the same time our expectations of the planning system have increased. The planning system is a key enabling mechanism for a diverse range of priorities including economic prosperity, affordable housing and green infrastructure. It is an important facilitator of well-being. The effective implementation of the Well-being of Future Generations (Wales) Act, the Environment (Wales) Act, Historic Environment (Wales) Act and Planning (Wales) Act, require resilient planning authorities with access to specialist skills.
- 2.3.9 Existing regional working arrangements are limited in this service area, with the exception of collaborative working on minerals and waste planning. We believe that the introduction of a systematic approach to regional delivery of planning services will significantly improve service quality, provide greater resilience and enhance opportunities for workforce development and progression.

⁴ <http://www.senedd.assembly.wales/documents/s500002771/FIN4-01-16%20P1%20WPGA%20consultation%20reply%20paper>

- 2.3.10 Provisions within the Planning (Wales) Act may provide the basis for the regionalisation of planning services. We have modernised the arrangements for Joint Planning Boards so they can prepare Local Development Plans (with the exception of National Parks) and determine planning applications. We have also introduced the ability to prepare Strategic Development Plans (SDPs).
- 2.3.11 We do not believe that SDPs are necessary across the whole of Wales. Where considered necessary, the preparation of a SDP should be undertaken on a broader economic development footprint. This would allow strategic issues to be addressed across the wider area ensuring that connections are made to regional economic regeneration, transport and natural resource management opportunities. The Planning (Wales) Act makes provision for SDPs to be prepared by a single purpose body, a Strategic Planning Panel. With the emergence of regional governance arrangements, such as those linked to City Deals, it may be possible to use these governance arrangements instead. More broadly, this White Paper proposes new statutory arrangements for the consistent governance of regional working. These new proposed arrangements could be applied to planning. We would welcome views on this.
- 2.3.12 In addition to the preparation of a SDP where this is necessary, we consider that there could be benefits from other planning services being provided on a regional basis. We are seeking views on the best approach to identifying an appropriate footprint for the regional delivery of services. In particular, views are sought on the functions which need to be undertaken at a sub regional level, but at a larger scale than individual Authorities. We consider that functions relating to planning (other than those strategic functions identified above) fall into this category. Ensuring that planning services are not too distant from citizens and communities is essential.
- 2.3.13 The initial scope of the planning functions to be delivered at a sub regional level is identified below. They have been identified to maintain the link between LDP preparation and decisions on planning applications. We have also sought to identify the related specialist advice essential for efficient and high quality decision making.
- Preparation of LDP
 - Setting and collecting Community Infrastructure Levy
 - Development Management (processing of planning applications and enforcement functions)
 - Specialist advice on the following services:
 - Minerals and waste
 - Built environment conservation services
 - Green Infrastructure, landscape and ecology
 - Viability and S106 agreements (planning obligations)
 - Urban Design
 - Highways development management
- 2.3.14 Democratic accountability is a fundamental principle of the planning system. We do not wish to undermine this. We believe that there are two options to maintain accountability under a regional delivery approach. Existing

legislative powers could be used to create Joint Planning Boards (Joint Planning Board Model) which would be made up of Councillors from each constituent Authority, with decisions on the LDP and planning applications being made by the Board. Similarly, regional decision-making by elected members could also be undertaken through the new 'Joint Governance Committee' proposed in this White Paper. This would ensure that the arrangements for planning were aligned with the proposed arrangements for other services. An alternative approach would see responsibility for planning decisions remaining with existing principal Authority / National Park Authority with the preparation of the LDP and processing of applications undertaken by officials at the regional level. In this way the regional service delivery unit would service a number of planning committees (shared service model).

- 2.3.15 We would welcome views on the planning activities identified for delivery at the regional level and whether there are further functions relating to planning that could be best exercised on a regional basis and any further suggestions you may have.

Local Authority Building Control

- 2.3.16 The issues facing local government building control are similar to those faced by planning departments and include reduced resources, difficulties in encouraging new entrants and an absence of specialist skills particularly in smaller authorities. Limited cooperative arrangements exist currently.
- 2.3.17 The Building Control service currently sit mainly within planning or public protection departments. The general trend appears to be towards co-location with the planning function given planning and building control are the main mechanisms to manage development. For this reason we propose that Local Authority building control services be delivered regionally on the same footprint.

Social Services

- 2.3.18 Social services covers a range of functions some of which are more closely inter-connected than others, and, at the margins, Local Authorities define different actions under the term social services. There are essential links to health and also links to housing, education and the police. These functions touch upon some of the most vulnerable in our society, and will be important to everyone at some point in their lives. These are services where there are recognised challenges to meet and the desire to change the way in which services operate to meet them, including planning and operating at greater scale. Consistency in decision making and delivery is increasingly important.
- 2.3.19 The Social Services and Wellbeing (Wales) Act required partnership arrangements to be made in each Local Health Board area, under the direction of a Regional Partnership Board. The Partnership Boards have representation from Health Boards, Local Authorities (elected and officer) and service users. These Partnerships have been established for defined functions, focussed particularly on areas where successful integration between local government and health is essential for the provision of effective services for citizens. The Social Services and Well-being (Wales) Act and supporting statutory guidance requires joint planning, commissioning and the use of pooled budgets between health and local government. The existing guidance recognises that social service users often are affected by or need more than one inter-partners are expected therefore to

extend their partnership arrangements beyond the priority areas in order to improve outcomes for the population as a whole.

- 2.3.20 The governance arrangements described in this White Paper will need to support integration with the Local Health Board and other partnership working.

Education Improvement

- 2.3.21 Education improvement encompasses a range of functions carried out by schools, Local Authorities, and regional consortia in Wales. The roles and functions of each tier are governed by the National Model for Regional Working which was agreed in autumn 2013 to accelerate the rate of progress in improving educational outcomes in schools.
- 2.3.22 There are currently four regional education consortia operating in Wales, three as joint committees of the constituent authorities and one (for south east Wales) as a joint management company serving the constituent Authorities.
- 2.3.23 It is recognised that the position in relation to educational improvement is complex, both in terms of the different range of improvement services provided by the existing consortia and the current regional structures. There are considerable variations in the range of improvement services provided by the existing consortia and their geography does not align neatly with the footprints for the delivery of other services.
- 2.3.24 Where there are existing regional arrangements in place, the proposals in this White Paper are intended to build upon them and provide a prompt to re-examine them. There remains flexibility to scale up activity to larger geographies by working across two or more regions where appropriate. In the case of education improvement, Health Board areas might provide a starting point for this although it is also recognised that certain authorities fall into different Health Board and consortia areas.
- 2.3.25 It is essential that the education sector, especially post-16 education, responds to the needs of the public sector workforce if local government is to be able to recruit staff in the future with appropriate Welsh language skills. The education sector will need information about the current and future requirements for Welsh language skills more widely so that the sector can respond to meet demand. This information could be collected and considered regionally with plans developed across the region to ensure sufficient training for Welsh language skills are available. This links to local government's role as a key employer, not only directly but through their contract and partnership agreements. Planning in this way could have an essential role in encouraging young people to maintain and develop their Welsh language skills on leaving statutory education for use in the workplace.
- 2.3.26 Views are sought on what approach might offer the best fit for the regional delivery of education improvement services and on the range and nature of improvement services which could be most effectively delivered at a regional level.

Additional Learning Needs

2.3.27 The Welsh Government introduced the Additional Learning Needs and Education Tribunal (Wales) Bill ('the ALNET Bill') on 12 December 2016. This bill will put in place:

- A single statutory framework to support children and young people aged 0 to 25 with additional learning needs (ALN) in schools and further education, making it easier for them as they move through the system, replacing the different approaches and legislation for learners with special educational needs (SEN) up to the age of 16 and learners with learning difficulties and/or difficulties in post-16 education. It will create a single plan (the individual development plan) to replace the existing range of statutory and non-statutory plans for learners, ensuring equity of rights regardless of the learner's level of need or the education setting they attend;
- An integrated, collaborative process of assessment, planning and monitoring with a focus on early intervention, including duties on Health Boards and Local Authorities to collaborate with each other to meet a child or young person's ALN to enable them to reach their full potential; and
- A fair and transparent system for providing information and advice and for resolving concerns and appeals, with Local Authorities required to make arrangements for avoiding and resolving disagreements.

2.3.28 Among other functions, the ALNET Bill will transfer responsibility to Local Authorities for maintaining individual development plans for learners who require specialist post-16 placements. Overwhelmingly, these will be learners with whom the Local Authority has been involved throughout their school based education (and for whom they will have maintained a Statement of SEN under the current system and will have maintained an individual development plan under the new system). In many cases, Local Authorities will also have on-going social care involvement with these young people. The transfer of this responsibility from Welsh Government to Local Authorities will improve the transition process by encouraging Local Authorities, Health Boards and post-16 providers to work together to plan for and secure support, and to improve local provision relevant to the individual needs of children and young people with ALN. Funding for these placements will be transferred from Welsh Government to Local Authorities.

2.3.29 Greater collaborative working on a regional and multi-agency basis will be vital to deliver improved quality services for learners with ALN going forward. This process has already begun, through the ALN Innovation Fund launched in 2016, which focuses on the development of creative, collaborative delivery models and the growth of relationships between education, social services, health and further education.

2.3.30 The proposals for local government reform and the development of robust, accountable regional arrangements on a statutory basis, present significant opportunities to support more effective implementation of the ALNET Bill and the wider ALN transformation programme.

2.3.31 Although any legislation on Local government reform is not yet confirmed, we would aim to ensure the implementation timetable was complementary and

we would encourage early action by Local Authorities to get ahead of the statutory requirements for ALN coming into force.

- 2.3.32 Views are sought on what elements of a Local Authority's ALN functions, as proposed in Part 2 of the ALNET Bill⁵, might offer the best fit for effective regional delivery.

Public Protection

- 2.3.33 We propose that public protection functions should be undertaken regionally. This builds on the general direction of travel in this service area but mandating a requirement to work regionally will provide further impetus to current joint working. This will also provide for the maximum level of resilience and a greater scope for workforce development and progression.
- 2.3.34 Public protection is a broad service area and Local Authorities currently include different functions under this umbrella. It encompasses primarily:
- a. **environmental health:** including, but not limited to, pollution control, food safety, food hygiene, health and safety, noise control;
 - b. **trading standards:** including, but not limited to, consumer protection, product safety, rogue trading, animal welfare; and
 - c. **licensing:** including, but not limited to the licensing of taxis, street trading, entertainment, sex establishments.
- 2.3.35 However, we welcome views on the scope of functions to be included under the term 'public protection'. We will analyse responses which will help to inform proposals. We will also work with the WLGA / Local Authority Public Protection Cymru Change Programme to identify a list of core functions to be mandated.

Consultation Question 2:

In this White Paper the Welsh Government has set out a number of areas which it believes should be required to be delivered on a regional basis. Do you agree that these areas should be delivered regionally? What practical considerations should we consider in taking these proposals forward? What other 'ancillary' powers would be required to ensure the effective exercise of the functions exercised regionally?

Exploring Regional Working

Housing

- 2.3.36 The Local Authority role with regard to housing operates at strategic and operational levels. At the strategic level, local authorities are, for example, charged with assessing local housing needs, which informs plans for investment in housing supply. Those authorities that have retained their own stock also need to determine the level of investment in maintaining that stock. They also support initiatives designed to make the best possible use of existing homes e.g. by bringing empty properties back into use.
- 2.3.37 The operational level covers a wider range of functions which are often staff intensive and which will continue to need to be delivered locally. These include landlord functions, statutory homelessness services, providing housing-related support and the enforcement of housing law including, for

⁵ <http://www.assembly.wales/laid%20documents/pri-ld10862/pri-ld10862-e.pdf>

example, the Housing, Health and Safety Rating System, Rent Smart Wales, and the regulation of Mobile Homes sites. Rent Smart Wales is a good example of a locally delivered service supported by a single national Information Technology platform hosted by Cardiff on behalf of all authorities.

- 2.3.38 Good models of regional collaboration already exist and provide a foundation on which to build stronger delivery structures. For example, the Supporting People programme operates under six Regional Collaborative Committees. As Local Authorities and their partners in Public Services Boards and Regional Partnership Boards begin to implement the wellbeing plans they are developing, the preventative aspects of this programme need to be aligned more closely with social services commissioning, which is often targeted at the same vulnerable groups.
- 2.3.39 Local Authorities have identified housing supply as a key component of the economic development strategies emerging under the proposed cross-authority city deals. If current housing shortages are to be tackled effectively, these house building interventions need to be aligned with the structures which support land use planning.
- 2.3.40 Further consideration will need to be given to how the strategic aspects of housing delivered on a regional footprint can most effectively interface with the more staff intensive services such as tackling homelessness, which will continue to be delivered locally.

Waste

- 2.3.41 Waste and recycling is a service area with a history of significant joint working among Local Authorities, for example in relation to food and residual waste treatment. There is potential to build on this existing activity and expand regional working to other parts of this service area, for example in relation to arrangements for waste and recycling collection. In considering the scope to do this, we recognise the profile of waste collection issues locally and the different arrangements currently in place, including different service delivery models and contracts. At the same time, we also recognise there is real scope for efficiency savings and further reductions in carbon emissions over time and an opportunity to refocus on providing a more consistent experience for citizens.
- 2.3.42 We would welcome views on the potential for greater regional working in this area and any particular considerations we should have in mind. We are also interested in the opportunity, over time, to consolidate existing regional waste activity on a more consistent footprint with other service areas.

Community Safety and Youth Justice

- 2.3.43 Community Safety Partnerships and Youth Offending Teams are not formally devolved, although they rely heavily on devolved services, such as health, education and social services. If other public services are being delivered on a regional footprint there will be a case for Community Safety Partnerships and Youth Offending Teams to consider moving to a similar footprint that matches the services which support their work.

Consultation Question 3:

In this White Paper the Welsh Government has set out a number of areas which it believes could also be delivered on a regional basis. Do you think that Local Authorities should also be required to work regionally to deliver these functions? Are

there any other practical considerations we should be aware of?

Consultation Question 4:

Are there any other functions that would benefit from a systematic approach to regional working?

Consultation Question 5:

Welsh Government believes that, subject to engagement with local government and other partners, there should be flexibility to enable Welsh Ministers to mandate additional functions to be undertaken regionally. Do you agree or disagree? Why?

Enabling Greater Regional Working

2.3.44 This is a starting point, not an end point. Local government has told us it is ambitious in the area of regional working and prepared to do more than the minimum prescribed by the Welsh Government where there is a strong case for regional working. We would encourage Local Authorities to show leadership in this area and identify where they can come together and work regionally on other services. It will be for local determination to take forward regional working in additional service areas or functions. We will ensure that where localities choose to be more ambitious with their regional arrangements there is sufficient flexibility in the system to enable this.

Consultation Question 6:

The Welsh Government believes that the new arrangements should not prevent Local Authorities using their existing powers to undertake additional functions regionally. Do you agree or disagree? Why?

2.4 Sharing Services

2.4.1 The operation of public services relies on underpinning supporting services, some transactional, some specialist, some externally facing and some less so. The Welsh Government considers many of the reasons for greater regional working hold true for these supporting services. The tests set out at paragraph 2.2.1 are also valid for many of these services. They also have the potential to yield significant savings which can be redirected into front-line service delivery. Indirectly, authorities and services which carry high transaction costs are subsidised by those who carry out these activities more efficiently. This is not sustainable.

2.4.2 Regional working arrangements will present opportunities for Local Authorities to build sustainable services. As part of this there will be scope to share Welsh language capacity to ensure those wishing to receive services through the medium of Welsh are able to do so. This will be enabled by both the sharing of staff and professionals delivering services and the sharing of Welsh language capacity in corporate services. In this way, and in line with the Welsh Government's previous commitment, Local Authorities working together can be a catalyst for ambitious improvements in the standard of Welsh language services. There is also an opportunity for Local Authorities to come together to exploit digital technology to open up a wider range of services to delivery through the medium of Welsh.

2.4.3 Consideration of the implications for the Welsh language must be built into regional working arrangements as Local Authorities consider their role in the

delivery of *A million Welsh speakers by 2050*.⁶

- 2.4.4 *Language, Work and Bilingual Services*,⁷ the Report of the Working Group on the Welsh Language and Local Government was published in June 2016. A move towards greater regional working will enable many of the Report's recommendations to be taken forward. For example supporting a collaborative approach on leadership, making Welsh language a firm part of the regional economic development agenda will be important for the resilience of communities where Welsh is strong.
- 2.4.5 Many respondents to our consultation on the draft Welsh language strategy, *A million Welsh Speakers by 2050*, emphasised the need to take different approaches in different areas in terms of growing the numbers of Welsh speakers and promoting use of the language. At the same time, some respondents reminded us that as the nature of modern society changes and the way people live their lives change, we will need to understand how this has an impact on language use. For example, as people become increasingly mobile and as communication networks expand, there is a need for language planning to happen increasingly at a regional, as well as local level.
- 2.4.6 The proposed approach to regional arrangements set out in this paper will mean Local Authorities will need to consider how back office and administrative services can most effectively support regional working and create opportunities for the sharing of supporting services. Our aim to support resilience and renewal in local government includes consideration of how and when we should expect to develop shared approaches to supporting or administrative services. We recognise that supporting services would not necessarily need to mirror any new regional arrangements. Flexibility in our approach to regional arrangements, discussed in detail in section 2.7, will allow for consideration of different patterns for regional working. Some supporting and administrative services could be sensibly undertaken on a pan-Wales basis. We also see this as an area offering scope to integrate across public services, for example encompassing health or third sector systems.
- 2.4.7 Even where services remain local or are undertaken regionally, there are likely to be significant operational benefits and cost benefits as a result of adopting national common standards, for example in relation to cyber protection and technology delivery. The rapid development and uptake of cloud based solutions for the provision of key ICT services such as e-mail and data storage provides further scope for efficiency and cost savings. Working together to realise these benefits and building any new joint supporting services on cloud-based technologies is likely to secure greater economies of scale. Similarly, whatever scale a supporting service was being undertaken at, there are real opportunities to enable efficiencies by the adoption of open data standards to allow easy sharing and exploitation of data resources.
- 2.4.8 Local government has successfully introduced some shared back office services, for example, providing back office functions to a range of smaller organisations, shared legal services in West Wales, and local government pensions' services. But other opportunities to share services have been

⁶ <https://consultations.gov.wales/consultations/welsh-language-strategy>

⁷ <http://gov.wales/docs/dsjlg/publications/160604-language-work-bilingual-services-en.pdf>

explored, and not taken forward.

2.4.9 The KPMG report⁸ in June 2015 showed that variation existed in the cost per transaction for back office functions across different Local Authorities which could not be explained simply by reference to the nature of the service or the size of the Local Authority. It illustrated that establishing some form of back office shared service could secure significant savings above and beyond those which can be achieved by Authorities reviewing and rationalising their services to bring them into line with the high performers. It did not, however, set out a clear proposal for precisely how such extra savings would be achieved via a shared service arrangement. Nor did it consider other potential benefits in quality of service, ability to improve, expertise and resilience.

2.4.10 In discussions with Local Authorities there is general agreement that this is an area where progress has been inconsistent, and there is likely to be potential for improvements to efficiency, resilience and quality of some services. Whilst we broadly categorise what we mean by shared services later in this paper, the following are some suggestions of activities where service sharing might be taken forward (nationally or regionally):

- Technology platforms, to offer greater consistency as well as cost savings e.g. new Planning Portal, Community Care Information Service
- Specialist services where expert knowledge or skills can sometimes be in high demand and short supply e.g. internal audit; assurance around cyber threats and management, Welsh language and legal expertise, some finance functions, asset management.
- Joint or shared transactional services where processes are consistent or could reasonably be expected to be so e.g. council tax collection and wider revenue and benefits, payroll, transactional services that use the same IT systems.

2.4.11 There is also the example of the NHS Wales Shared Service Partnership (NWSSP) which provides a range of back office administrative services to NHS Trusts in Wales, resulting in cost reductions and efficiencies by introducing common processes and sharing good practice. This has taken time but it has delivered savings (the NWSSP annual report for 2015-16 describes more than £20 million in procurement savings in 2015-2016); improved services against key performance indicators (direct savings of £2 million have been returned to NHS Wales in 2015-2016, against a target of £1 million) and has taken on new functions and services by agreement as it has demonstrated success. At present, the NWSSP cannot provide services to organisations beyond the NHS but Welsh Government has previously consulted upon whether it should take a legislative opportunity to widen its scope to allow it to provide services to Local Authorities and others. There are also examples of local government led equivalent services.

2.4.12 Shared services can be broadly categorised into the following:

- Joint procurement - Examples of which are National Procurement Services and the electronic procurements system (e-PS)

⁸ <http://gov.wales/topics/localgovernment/publications/welsh-local-authorities-administrative-cost-review/?lang=en>

- Shared platforms - Example of which is Public Sector Broadband Aggregation
- Shared Service delivery - Examples of which are Archives Services and Regulatory Services
- Shared back office functions - Examples of which are NHS Wales Shared Service Partnership, Legal services in West Wales and ICT services

2.4.13 We are interested in views about where the greatest value is likely to come from in pursuing shared supporting services and how we can collectively make more rapid and deeper progress in this area to continue to secure even more efficient delivery of services as well as other wider benefits.

2.4.14 There is also an opportunity to look beyond Local Authorities and to develop solutions which integrate across public service providers. We are interested in views on where the opportunities lie for doing this. Modern technology offers opportunities for dispersed working but the employment changes which might follow greater concentration of shared supporting services would need to be consistent with our overall policy of supporting employment in those communities where this provides the greatest impact on local economies.

2.4.15 We recognise that sharing services has been an ongoing journey in Wales with some successes and some projects which have not delivered as planned. We are interested in views on the barriers to successful sharing of services and how these might be overcome. In particular, data sharing has already been flagged as part of our autumn engagement exercise and we are interested in the specific challenges it continues to pose and examples of how this has been overcome.

2.4.16 As part of these considerations, we need to understand how they could be enablers of regional working more generally.

Consultation Question 7:

The Welsh Government believes that some back office and transactional services ought to be organised and delivered regionally or nationally. Which services do you believe could best be organised and delivered in these ways?

Consultation Question 8:

The Welsh Government believes that overcoming data sharing issues is key to taking forward greater regional working of back office functions. What legislative obstacles have made progress on sharing services difficult? How have they been or could they be overcome? What challenges does data sharing pose?

Consultation Question 9:

The Welsh Government believes sharing more back office functions would be helpful. There are a number of options:

- *Enable the NHS Wales Shared Service Partnership for providing services to local government (and others)*
- *Establish a similar model to provide back office services to local government (and others)*
- *Establish an alternative model to provide back office services to local government (and others)*

Which do you believe would be most appropriate to best support regional working? Why? What other alternative models could work effectively and what steps could the

Welsh Ministers take to enable or encourage local government-led alternative models to be implemented?

- 2.4.17 One specific area, which has interests wider than local government, is the potential for better management and use of public sector assets through regional planning and governance. If the public sector is to maximise positive outcomes for people and communities and deliver value for money, its property asset resources must be managed with the same scrutiny and assurance already applied to the management of its financial resources. Public sector partners have many examples to offer of co-location and co-investment. Working together through the pan public sector National Assets Working Group they have also produced and endorsed some useful tools.
- 2.4.18 A more proactive collaborative asset management approach across the Welsh public sector offers the potential to integrate services (including estate management) to improve the customer experience and to create wider efficiencies. It also offers potential to rationalise the estate and improve the quality of public service assets by investing more in fewer shared physical assets. This will allow surplus assets to be included, sometimes in combination, in land release for new homes and employment-related development. A Pilot Study in the Cwm Taf PSB area has been exploring the potential benefits of this approach. The Welsh Government's Budget for 2017/18 includes £2 million new investment to carry out asset mapping across Wales.
- 2.4.19 The Welsh Government is keen to understand how local government and others, including Welsh Government, can work together better to make the best use of their collective assets. Barriers to this in the past have included knowledge of others' plans and opportunities. To support this work it is proposed that a 'Regional Asset Collaboration best practice toolkit' is developed.
- 2.4.20 Such an approach will require appropriate governance arrangements to ensure that collaborative behaviour is embedded in ongoing decisions related to service and estate planning. Given the links to the economy the larger economic footprints may be appropriate in order to successfully engage with the wider public sector and reap the potential benefits.

Consultation Question 10:

The Welsh Government believes that joint understanding and planning of public sector assets is essential to maximize their impact and that this requires regional mapping of estates assets and future intentions. How can this joint governance and decision making best be achieved? Is the larger economic footprint the right one?

2.5 Governance and Accountability

- 2.5.1 Our proposals for regional working will require different governance mechanisms to underpin them. This will ensure that collaborative behaviour is embedded in decision making, accountability and scrutiny. It will need to ensure that Elected Members remain at the heart of the decision making and scrutiny process. It will require flexibility and simplicity to be at the heart of the overarching governance arrangement.
- 2.5.2 A regional governance model will require that decisions which are being taken are in the best interests of people across the region, rather than within

individual local areas. The aim is that, overall, service provision improves as a result of this approach, for example by providing services which no one Authority could deliver alone or by making more effective use of scarce expertise. This might mean for example, that to have greatest impact on a particular issue, the region should allocate more resources to one Local Authority area than another. This may be controversial locally, but governance arrangements will need to be robust enough to make and be accountable for these difficult decisions. To ensure that regional functions can be undertaken effectively and that the accountability arrangements match the footprint on which the functions are being exercised, we propose placing a duty on those exercising the functions and those holding them to account to consider both the local and regional interest in undertaking their responsibilities.

- 2.5.3 Any accountability model at a regional level will need to ensure that there is clarity for local people, officers, Elected Members and other public service organisations about where decisions are being made and on the scope of those decisions. There needs to be clarity over which functions are being exercised where, and who is exercising them on what basis. There must be a clear process to delegate functions for regional decision-making within the framework which Welsh Government will provide. There must also be clear arrangements and real commitment from those exercising functions regionally to report back to their Local Authority and be held to account by its Members.
- 2.5.4 Citizens and communities will need to be clear about how they are able to interact with the regional arrangements in order to influence and contribute to decision making. These new arrangements will further enhance the role of Elected Members, who will have a crucial part to play in ensuring that the people they represent can navigate the new system and act as their advocates.
- 2.5.5 Welsh Government will provide a clear framework for making arrangements to hold those making decisions to account. Regional arrangements will need to be appropriately scrutinised to ensure effective performance and value for money are being delivered, and that better outcomes are being achieved at a regional level. There will need to be transparency, especially in those circumstances where things unfortunately go wrong.
- 2.5.6 We will provide a framework which allows for choices in how scrutiny is undertaken. There will be the option of continuing to undertake scrutiny in each of the constituent Principal Councils within a regional arrangement, or to establish a standing regional scrutiny committee, or to undertake regional scrutiny on a task and finish basis or to adopt a mix of these approaches. In undertaking scrutiny of a regional function, it is proposed that Elected Members should be under a duty to consider the regional interest as well as the interests of their particular Local Authority.
- 2.5.7 We also want Local Authorities to take the opportunity of new regional arrangements to develop smart scrutiny approaches. This means moving away from scrutinising the minutiae of day to day operations and focusing on where the major impacts for citizens are or on matters which are new or contentious. It also means adopting different approaches including using digital and other technologies and giving citizens a key role and real voice in the process.

- 2.5.8 There are a number of approaches which could underpin the new overarching arrangements for regional governance. These range from voluntary joint arrangements, the ‘traditional’ joint committee, through to new regional entities in which functions are vested and to whom budgets and staff move, for example a ‘combined authority’. In discussions with local government over the autumn, we have heard that the most appropriate model for regional governance is likely to be a strengthened joint committee. For the purpose of this White Paper this model is being referred to as a ‘Joint Governance Committee’.
- 2.5.9 A ‘Joint Governance Committee’ would build on existing and familiar joint committee arrangements, but would offer additional benefits, such as a requirement to ‘think’ regionally. The Welsh Government proposes setting out a common rulebook for the new ‘Joint Governance Committee’ in legislation to ensure consistency, so there is a robust, common platform from which everyone is working from. These provisions will provide the framework within which Local Authorities would be required to delegate authority to the ‘Joint Governance Committee’. We are proposing that once formed, constituent Local Authorities would be required to work together on this basis, they would not be permitted to ‘walk away’ from the obligation to carry out regional decision making.
- 2.5.10 We propose that the members of any ‘Joint Governance Committee’ would be the locally Elected Member with responsibility for the functions being exercised by that Committee. We envisage that there might be more than one ‘Joint Governance Committee’ per region, depending on the footprint on which functions were exercised or, alternatively, that a single ‘Joint Governance Committee’ might establish a number of Sub-Committees with responsibility for specific functions and services.
- 2.5.11 Where a ‘Joint Governance Committee’ is exercising functions in multiple service areas or which touch on the interests of more than one portfolio holder, there will be flexibility to either allow one Member to represent the interests of their Local Authority as a whole or for both to be represented, providing matching levels of representation are provided by the other Local Authorities within the ‘Joint Governance Committee’.
- 2.5.12 Similarly, we intend to develop a common framework to support pooling of budgets in pursuit of the functions exercised by ‘Joint Governance Committees’. This framework will be developed in partnership with local government, in common with the way the rules governing the general local government settlement are developed together.
- 2.5.13 Based on our discussions with Local Authorities, it is proposed that the Welsh Government sets out a framework for ‘Joint Governance Committees’, this will include:
- **membership arrangements** – our proposal is that the membership of the ‘Joint Governance Committee’ should be made up of the Elected Member or Members with responsibility for the function(s) being exercised, with the proviso that each Local Authority must have equal membership
 - **delegation of functions** – our proposal is that we will prescribe the functions which must be exercised regionally by the Local Authority. The delegation process will therefore be about providing clarity and

transparency for Elected Members and the public about to whom the delegations are made in each Local Authority and the accountability which has been put in place to hold them to account, there will be no option to refuse to delegate

- **voting arrangements** – our proposal is that each Local Authority will have equal representation and voting power on any ‘Joint Governance Committee’
- **funding flows** from Local Authorities to the ‘Joint Governance Committee’ – our proposal is that we will provide a mandatory framework for this and develop it in partnership with local government
- **scrutiny arrangements** – we will provide a range of options for the approach to scrutiny and ensure that those undertaking scrutiny have a duty to consider the regional as well as the local interest.

2.5.14 We will work with the WLGA and SOLACE to establish an independent task and finish group to help us to develop the statutory framework within which the ‘Joint Governance Committee’ will operate. There is already a range of existing legislation which enables or requires joint working in respect of the functions set out above. In light of our aim to create a simplified, flexible and consistent form of regional governance which has democratic decision making at its core, we will ask the task and finish group to consider this legislation and whether it should be used as part of the framework, in conjunction with it or whether it should be repealed and replaced.

2.5.15 Our vision for these new arrangements is that they will evolve over time and the level of joint working and the scope of what is undertaken regionally will be able to grow.

Consultation Question 11:

The Welsh Government believes a strengthened joint committee (a ‘Joint Governance Committee’) offers an appropriate governance model for regionally delivered services and intends to set out a framework for local government to use to deliver this. What should the democratic accountability and scrutiny arrangements be for such a model? Should each participating Local Authority have equal voting rights or should they be weighted in some way?

2.6 Regional Footprint(s) Arrangements

2.6.1 The picture of regional arrangements for local government is complex. There is general alignment of arrangements in some parts of Wales, for example in North Wales and Gwent, but there is greater diversity of arrangements elsewhere. These arrangements have evolved in this way for a range of reasons and one of the key pieces of feedback from the engagement with Local Authority Leaders and Chief Executives was a real desire to simplify these arrangements and reduce the demand on the time of Elected Members and officers in participating in a range of often overlapping or partially duplicatory collaborative arrangements.

2.6.2 On this basis and reflecting the views expressed on possible approaches to a rationalised set of footprints, two footprints were highlighted as potentially appropriate to mandate for the exercise of regional functions in the Cabinet

Secretary for Finance and Local Government's October Oral Statement⁹. These were the 'economic development' footprint (that is something based around the current City Regions and the North Wales Economic Ambition Board footprint) and the current Local Health Board footprint.

- 2.6.3 Since then, we have been engaging on the detail of how the proposed new arrangements for regional working might operate. It has become clear that there are practical reasons why such a simple approach might not offer the maximum advantage and that some flexibility would be beneficial. The challenges are greater in some parts of Wales than others because some have a greater diversity in existing arrangements. In some cases, simply mandating the health footprint might involve disaggregating existing, larger collaborative arrangements (for example, the Education Consortia) or breaking up functioning shared service delivery (for example, Bridgend, Cardiff and the Vale of Glamorgan's Shared Regulatory Service.) Neither of these outcomes would be desirable.
- 2.6.4 Under current arrangements, Bridgend provides social services as part of a wider partnership with Neath Port Talbot and Swansea. These arrangements have taken some time to develop and are working well. However, for other services, Bridgend works in different combinations most notably for education improvement where it forms part of the Central South Education Consortium. Bridgend is also part of the Cardiff Capital Region.
- 2.6.5 The proposals present an opportunity to look again at the position of Bridgend and whether consistency could be promoted by rationalising the pattern of regional services in which Bridgend is currently involved.

Consultation Question 12:

The Welsh Government believes that in order to put in place arrangements which reduce complexity for Authorities and their partners the position for Bridgend needs to be considered. Although Bridgend is fundamentally concerned in this, other partners including other Local Authorities and the Local Health Boards also have valid interests. We are therefore seeking views on how best to address the issues set out here.

- 2.6.6 During our autumn engagement a number of Leaders and officers have pointed to the benefits of flexibility and having the ability to work together at sub regional level (for example within the North Wales footprint) or to work together where there is commonality of demographics or of place (for example across cities in South East Wales).
- 2.6.7 These considerations are finely balanced and we have identified four potential approaches to the footprint question:

Option 1: Mandating prescribed footprints for regional working

- 2.6.8 Welsh Government would require regional working by specifying what functions had to be exercised on which footprint. This is the original approach arising from the discussions in the summer based on the 'economic development' footprint and Local Health Board boundaries and would be the most rigid approach. It would have the advantage of clarity and simplification.

⁹ <http://www.assembly.wales/en/bus-home/pages/rop.aspx?meetingid=3994&language=en&assembly=5&c=Record%20of%20Proceedings&startDt=04/10/2016&endDt=04/10/2016#427466>

Greater flexibility could be provided by allowing building blocks of footprints to be combined to support the delivery of specific services across a wider area. For example, a regional collaboration which spanned two Local Health Board boundaries.

Option 2: Mandating a framework

2.6.9 This option would offer the greatest flexibility and would see Welsh Government requiring regional working for specific services, but without specifying the footprint on which it had to take place, which would be left to local determination. Welsh Government would provide a framework within which that local determination would be made. For example, this could involve specifying a minimum number of Local Authorities that need to be part of a regional arrangement or requiring the Local Authorities have regard to certain things, such as Local Health Board boundaries.

Option 3: A framework and a footprint

2.6.10 An alternative approach is where for some functions a footprint would be prescribed, for example transport planning and strategic land use planning might be prescribed to take place on an economic development footprint. However, for other functions, such as public protection, regional working arrangements would need to comply with the framework for regional working, for example, a minimum number of Local Authorities working together, and / or consideration of Local Health Board boundaries.

Option 4: Deliberatively Regional

2.6.11 Another variant on requiring regional working might be one where Welsh Government would engage in a deliberative process with local government to determine the appropriate footprint for each service / function and the footprints would be made mandatory at the conclusion of that process.

2.7 Preferred Approach

2.7.1 Having considered the feedback we have already received on this important issue and undertaken our own assessment of the options, our preferred approach is Option 3. We believe that this hybrid approach offers an appropriate balance between requiring more systematic working and sufficient flexibility to allow Local Authorities to come together to put in place arrangements that best suit local circumstances.

2.7.2 There was a broad welcome for mandating an 'economic development' footprint. We propose that this footprint should be based on the WLGA regions, which are broadly coterminous with the existing economic development areas: Cardiff Capital Region, North Wales Economic Ambition Board and the Swansea Bay City Region. Our expectation is that the distinct set of arrangements that are already in place for Growing Mid Wales and the Swansea Bay City Region would continue under the umbrella of the Central and South West Wales 'Joint Governance Committee' area.

2.7.3 We anticipate, subject to feedback as part of this White Paper consultation, that this 'economic development' footprint would be mandated to undertake transport planning, certain strategic land use planning functions and economic development on behalf of their constituent Authorities. We will provide flexibility in how these arrangements must work to ensure that the scope of the current City Deal arrangements could be maintained, which would be a particular consideration in expanding the Swansea Bay City Region.

- 2.7.4 For the other functions identified in section 2.3, the specific footprints to be adopted will be determined by the constituent Local Authorities, within a framework which would guide that determination with a view to removing overlap and promoting simplicity as far as possible.
- 2.7.5 To facilitate the decision making on how other regional arrangements should be organised, the overarching 'Joint Governance Committee' operating at the 'economic development' footprint level would have oversight of the establishment of any sub-regional arrangements and would oversee their working arrangements. We propose that the overarching 'Joint Governance Committee' is required to put in place and monitor the governance arrangements for the region and ensure the efficient and effective delivery of those services and achieving outcomes for the region.
- 2.7.6 There are some functions where there are already well established regional arrangements which would mean working across these boundaries, for example the Western Bay Adoption Services, or where the six North Wales Authorities work with Powys on Minerals and Waste Joint Planning. We would not require these working arrangements to be changed, however, we would expect that the governance of these arrangements was considered by the respective 'Joint Governance Committees' to ensure robust governance arrangements were in place.
- 2.7.7 Equally, there may be opportunities for working across regional footprints where that is the right approach. For example, the *Language, Work and Bilingual Services*,¹⁰ Report recommends that a linguistic-economic strategy is developed for the counties of Anglesey, Gwynedd, Ceredigion and Carmarthenshire. Flexibility in regional working arrangements would allow for such an approach to be considered.
- 2.7.8 In considering the current and future needs of local people and communities, Local Authorities may consider voluntary mergers (discussed in Section 3). When considering voluntary merger proposals, consideration will need to be given to the impact on economic development footprints.
- 2.7.9 Our proposals represent an evolution of existing arrangements but one which puts them on a clear, consistent basis. Our autumn engagement, and proposals from the WLGA have indicated that there might be a desire to take governance arrangements further to improve outcomes in the future. It has been suggested that Welsh Ministers pursue legislation that would enable the creation of Combined Authorities in due course where there was a robust case. We are proposing that such provision could be made alongside provision for the proposals for 'Joint Governance Committees' to be used as and when they were required by local government to further their objectives.
- 2.7.10 We propose that a review of these new regional arrangements is undertaken after the legislation is implemented to track progress in bringing about change and to consider the effectiveness and efficiency of the new arrangements.

Consultation Question 13:

The Welsh Government believes that 'Option 3: A framework and a footprint' is the most appropriate model for future regional working.

¹⁰ <http://gov.wales/docs/dsjlg/publications/160614-language-work-bilingual-services-en.pdf>

- *What are your thoughts on the proposed mandatory economic development footprint for 'Joint Governance Committees'?*
- *How could a framework approach for sub-regional working in other services areas operate in practice?*
- *Is it appropriate for there to be flexibility for regional working to cross economic development boundaries in exceptional circumstances? Which circumstances would they be?*
- *How should the governance arrangements at the mandatory economic development 'Joint Governance Committees' have oversight of sub regional working?*

Consultation Question 14:

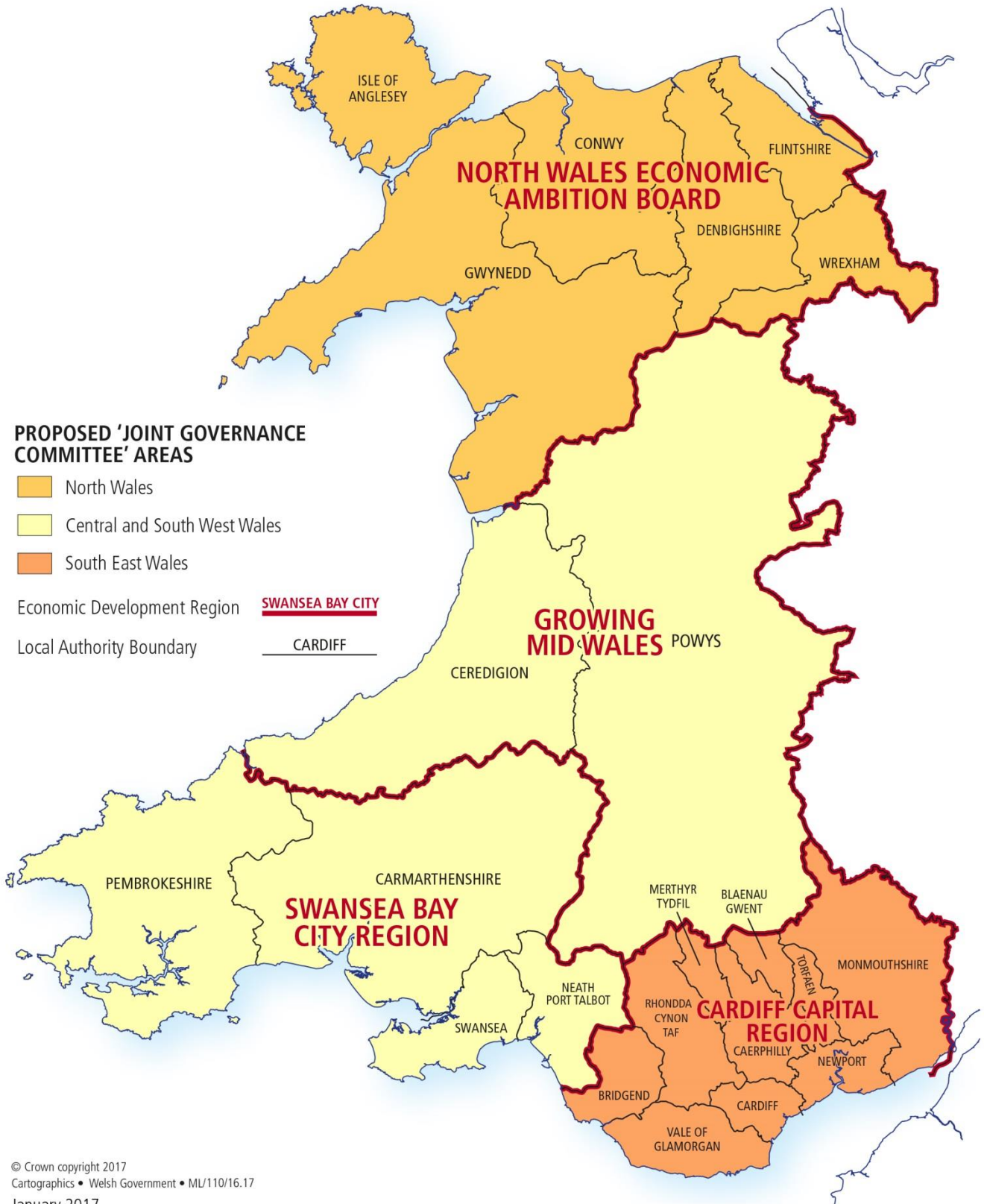
The Welsh Government would welcome comments on the appropriateness of seeking powers to create a Combined Authority. In particular, views on what minimum expectations there should be in considering the appropriateness of creating a Combined Authority are welcomed.

2.8 Funding Regional Arrangements

- 2.8.1 The Welsh Government has protected the funding for local government. However, the financial outlook for public services continues to challenge us all. Levels of financial support are unlikely to increase significantly in the future – difficult financial outlooks are, unfortunately, the new norm. Coupled with this are continuing cost pressures on all our budgets; increasing demand for many services; and tough economic challenges. As a consequence, local government continues to voice concerns about less headroom in budgets to deliver services and, importantly, to invest in improvement and new transformative delivery models. We must therefore continue to look at the funding arrangements to ensure they remain fit for purpose as services evolve.
- 2.8.2 Any regional funding arrangement will need to be as simple as is practicable, offering flexibility to suit different functions, different roles and remits, and different footprints. The arrangements need to be able to flex to support an emerging model. Importantly, regional funding arrangements must be transparent. The flow of finance between public bodies must be understandable to citizens, to Government, to the regulators and to local government itself. A range of possible funding models exists including precepting, levying, grant funding, recharging and pooled budgets. In discussions with local government, pooled contributions from the constituent local authorities has emerged as the most practical solution.
- 2.8.3 Local Authorities and other public bodies already finance a number of collaborative arrangements. Principal authorities pool resources to support collaborative working and it is a funding model which is well-established, with minimal barriers and a high degree of flexibility. The majority of existing Joint Committees identify a lead Local Authority in relation to finance and this arrangement appears appropriate within a regional context. We intend to build on the existing arrangements where these work best, rather than add complexity by imposing a new and complex funding model.

WALES

Proposed 'Joint Governance Committee' Areas



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- 2.8.4 We propose that a mandatory financial framework is developed to ensure the expenditure of each 'Joint Governance Committee' is met through pooled contributions from the constituent local authorities.
- 2.8.5 The amounts to be pooled would be determined by local agreement, providing local government with the flexibility and autonomy to make this work. A crucial feature of this model is that the constituent authorities agree the levels and apportionment of funding for the functions to be carried out regionally. The ability of authorities to reach and adopt such funding agreements will be fundamental to their success in working together to deliver functions on a regional basis. It is proposed that the framework also provides for a default arrangement which would be invoked where local agreement is not reached. As part of developing such a framework in partnership with local government, consideration will need to be given to where the legal authority to spend public money sits within a regional arrangement. For example, many collaborative arrangements include legal agreements between Authorities to confirm that when a lead Authority acts, it is acting on behalf of the others so that the financial liability does not fall to a single Authority.
- 2.8.6 In contributing financially to regional expenditure, Local Authorities would need to take this into account in their annual budget setting process and in relation to their statutory duty to set a balanced budget. This will require early discussions on the level of regional expenditure and the local contributions needed. It would be appropriate for each 'Joint Governance Committee' to produce a Medium Term Financial Plan (and associated medium term delivery plan), so that Local Authorities can forward plan their finances. We believe that to offer transparency to the public, any regional arrangements should be required broadly to balance income and expenditure in-year. Consideration will be given as to whether a limited reserves facility would be practicable.
- 2.8.7 Existing collaborative arrangements (under a Joint Committee) are subject to formal accounting and audit requirements. We do not see a need to change these requirements. The Chief Finance Officer (Section 151 Officer) has an important role in securing the best value for public money and driving efficiencies. The Chief Finance Officer has particular statutory duties and a fiduciary responsibility to the taxpayer. The Chief Finance Officer (and the Monitoring Officer) has a role in advising whether particular decisions are likely to be contrary to the policy framework or budget of the Council. Many Chief Finance Officers also undertake this role for particular services or collaborative arrangements. The nature of this role in the context of greater regional working will be the subject of detailed discussions with local government in developing the financial and governance frameworks.

Consultation Question 15:

The Welsh Government believes that a mandatory financial framework should be developed to ensure the expenditure of each 'Joint Governance Committee' is met through pooled contributions from the constituent Local Authorities.

- *Should the expenditure of 'Joint Governance Committees' be met by constituent Local Authorities, in proportions to be agreed locally, to ensure the most flexible approach?*
- *Should the framework provide for a default position if local agreement cannot be reached, and how such a default position might be triggered?*

- *What further considerations might relate to, or need to be included in, a financial framework?*

2.9 Wider Reforms to Finance

2.9.1 The Welsh Government also wishes to explore more wide-ranging reform of the local government finance system, to meet our aims of improved sustainability of services and of greater fairness for Wales' citizens and businesses. The future role for local government outlined in this White Paper has a bearing on the wider changes which can be made to the finance system. A separate statement has been published 31st January 2017 setting out more detail on the areas intended to be explored. The Welsh Government will consult on proposals as they are developed.

2.10 Workforce Matters

2.10.1 The most valuable asset of the public service is its workforce. For public services to thrive in the future we must nurture and develop our staff to ensure they have the capacity and capability to adapt to the changing needs of our society and to continue to deliver excellent public services.

2.10.2 Attracting and retaining our best talent is critical to driving the transformational change to which we aspire, and people need interesting and varied opportunities if they are to commit to a career in public services. In order to maximise the opportunities available to individuals, Wales needs to develop a public service that enables staff to develop flexible careers across the whole service, sharing experiences and ways of working. This will mean that public services are better able to work together to support effective service delivery.

2.10.3 Establishing resilient services is paramount to the future of local government. Issues of capacity and scale affect many parts of local government and the wider public sector, specialist skills will need to be shared and technical expertise utilised collaboratively across organisational and sectorial boundaries. There are a range of organisations already working collaboratively to do this.

2.10.4 No single workforce model has been adopted by these organisations. Some have chosen to leave staff where they are and manage across a number of different employers. Others have chosen to transfer staff or to create a single shared staffing structure. Some have chosen to harmonise terms and conditions, whilst others have retained separate terms and conditions to manage staff across multiple organisations. Following the single status agreement, the job evaluation and grading process was individually undertaken by local government. This has provided consistency within organisations, however inconsistencies continue to exist across local government as a whole. Local government has the opportunity to develop greater standardisation of approach, where appropriate, to workforce matters to smooth the path to regionalised working, whilst ensuring that the equalities secured by individual Local Authorities through enacting the single status agreement, are not lost.

2.10.5 The Public Services Staff Commission will no longer be made a statutory body and will be brought to a close in March 2018. Until then, it will continue to provide advice on workforce matters under the strategic direction of the

Workforce Partnership Council. In coming months, the Workforce Partnership Council will be subject to a wider review, coproduced by social partners working together. The purpose of this review will be to ensure the Workforce Partnership Council has clear roles, responsibilities and tripartite structures and is well placed to drive social partnership working in Wales within the changing context outlined in this White Paper.

- 2.10.6 In August 2015 a task and finish group of the Workforce Partnership Council was established to focus on workforce planning and mobility. The work of this group is ongoing. There may still be a need for Welsh Government Ministers to provide statutory guidance on matters such as approaches to recruitment, retention, workforce planning, performance management.
- 2.10.7 The proposals around regional working, if accepted, will affect the local government workforce. Matters around how we can maximise the opportunities of regional working for the local government workforce, and mitigate any potentially negative effects, will be brought to the Workforce Partnership Council.
- 2.10.8 The previous consultation provided mixed views on the value of Welsh Government having such a statutory guidance making power. Annex One sets out a brief summary of previous proposals and their current status. We believe that to support organisations to move to a more consistent and regional approach to delivering services it may be helpful to have the ability to issue statutory guidance where there is an identified need. Welsh Government's intention would be to only issue guidance on workforce matters where it will enhance the development of national or regional delivery of public services.

Consultation Question 16:

The Welsh Government believes that to support organisations to move to a more consistent and regional approach to delivering services it will be necessary to issue statutory guidance where there is an identified need. Do you agree or disagree? If you agree, what types of advice, guidance and support on leadership and workforce matters might lead to greater local, regional and national consistency?

2.11 Public Services Boards

- 2.11.1 People's lives don't stop at geographical or service boundaries. Public services need to work together behind the scenes to ensure seamless services for citizens. Public Services Boards have a unique role in bringing together the wider public service to improve the economic, social, environmental and cultural wellbeing of their areas. In other words, to make a visible difference for citizens. The work that is already underway must continue at pace in order to support regional working.
- 2.11.2 The reform of local government, and a requirement for Local Authorities to work increasingly on a regional basis, will have broader implications for public service partners and Public Services Boards.
- 2.11.3 Local Authorities will be asked to come together to exercise functions on a regional basis. This will mean Public Services Boards, in bringing together the key public service partners, will have to consider how they work with the new regional arrangements. They will also need to give consideration as to whether it would be appropriate to organise themselves to reflect new regional arrangements.

2.11.4 There are already extensive powers for Boards to work together on a larger footprint. The legislation also allows for Public Services Boards to merge, based on the Local Health Board footprint. It may be appropriate to amend this legislation allowing for greater flexibility in the merger (and where necessary de-merger) of Boards to allow them to accommodate different regional footprints.

Consultation Question 17:

The Welsh Government believes it would be helpful if Public Services Boards could collaborate or merge across Local Health Board Boundaries. Do you agree or disagree? Why?

Consultation Question 18:

The Welsh Government believes Public Services Boards should be allowed to de-merge as well as merge. Do you agree or disagree? Why?

3. VOLUNTARY MERGERS

- 3.1.1 In considering the current and future needs of local people and communities, Local Authorities must give serious thought as to how best to organise themselves to maximise the impact they can have. Despite greater regional working, it may be that Local Authorities choose to come together in to a single larger Authority to better deliver for local people.
- 3.1.2 This will require Local Authorities to develop a robust proposal for structural change. The Welsh Government will not set out a long list of specific criteria that a proposal must meet; the rationale and circumstances for voluntary merger will be different in each case, and Local Authorities must have the flexibility available to them to bring forward proposals in different circumstances. But those committed to the merger process will need to be clear as to the opportunities and benefits, in both the short and medium term. Therefore, the Welsh Government believes it is reasonable for there to be a set of minimum expectations that should be met in considering the appropriateness of voluntary merger.
- 3.1.3 In developing proposals for merger, account would need to be taken of the ongoing resilience of the organisations, effective delivery of services and outcomes for local people, and the proposed future financial position. Proposals should deliver sufficient benefits to people and communities to warrant the merger. The case for change should be built together, by the Local Authorities, and their local stakeholders. As with the previous voluntary merger prospectus and the Local Government (Wales) Act 2015, we would require, any proposal to be consulted upon locally. This includes consultation with local people, staff (and any representative bodies), and other public service partners. Any final proposal to merge would need to be subject to a successful resolution by the full Council of all of the merging authorities.
- 3.1.4 A proposal for voluntary merger will need to be developed in dialogue with Welsh Government. This will enable Welsh Government, and others, to provide appropriate support. Discussion and cooperation will be crucial to ensure a workable timetable and the proposal is fit for purpose in the longer term.
- 3.1.5 Once a final merger proposal is put forward, the Welsh Government would need formally to accept it. Welsh Government would then ask the Local Democracy and Boundary Commission for Wales to undertake an electoral review of the proposed new authority area and bring forward regulations enabling merger to happen. Such regulations would require approval from the National Assembly for Wales. It is possible that more than one merger proposal could be brought forward at any one time, and that the regulations required may be different to reflect the different needs of merging bodies. Such regulations are likely to cover:
- the transfer of staff, assets and liabilities
 - details on elections
 - the setting up of transition committees and the shadow Local Authority
 - the implementation of any statutory transactions regime as necessary

- 3.1.6 It may be helpful to issue guidance on these issues, and as such Welsh Government intend to take guidance making powers with regards to voluntary merger.
- 3.1.7 Welsh Government will need either to seek new powers in order to give effect to voluntary mergers or to amend the existing legislation allowing for voluntary mergers which is contained in the Local Government (Wales) Act 2015 (the 2015 Act). The powers in the 2015 Act allowing for voluntary merger were linked to a strict timetable for the then proposed merger programme. They cannot now be used for voluntary mergers which would take effect after 1 April 2018, hence the need for new legislation or to amend existing legislation.

Consultation Question 19:

The Welsh Government would welcome comments on what minimum expectations there should be in considering the appropriateness of voluntary merger.

4. A FRAMEWORK FOR LOCAL LEADERSHIP

4.1 Shared Expectations

- 4.1.1 The goals and ways of working set out in the WFG Act are the vision for the future within which we all must work. The Welsh Government needs to ensure it is providing the framework that local government needs to deliver excellent public services to local people and communities. We are clear that our 'ask' must be different. Welsh Government should set the broad strategic framework within which local government works to deliver the outcomes that we are collectively trying to achieve. This is a different relationship; it is one based on mutual respect and trust. It is an open and ongoing dialogue around shared problems. It requires maturity on both sides.
- 4.1.2 In '*Taking Wales Forward*'¹¹ the Welsh Government commits to changing the relationship between Welsh Government, the WLGA and local government. To this end the Welsh Government, working with local government, will refresh the Local Government Partnership Scheme which sets out the principles that the Welsh Government and local government will use to work together for the citizens of Wales. We remain committed to reducing unnecessary burdens on the public sector and business. Welsh Government are committed to increasing funding flexibilities for Local Authorities and are working closely with local government to ensure the most appropriate delivery mechanisms for future funding, this includes looking at transferring further grants into the Revenue Support Grant. This goes beyond the public service, for example, the Cabinet Secretary for Economy and Infrastructure is considering the range of panels, bodies and groups that are engaged in providing advice across the business and economy landscape with a view to simplifying arrangements.
- 4.1.3 Welsh Government will provide the framework within which local government can operate best to meet the current and future needs of individuals and communities. This framework must be flexible, offering a menu of choices to allow local government to operate in ways that best meets local needs. In turn, local government must work with local people and communities to shape a shared future.
- 4.1.4 The Welsh Government must be clear on what outcomes it expects local government to deliver. Sometimes this will mean delivering outcomes in a consistent way, for example setting minimum standards. On other occasions this could mean creating consistency in governance arrangements to ensure there is transparency in decision making, so local people can understand how and where decisions are being made.
- 4.1.5 As part of developing these new proposals for local government reform we have sought the views of Leaders, Elected Members, Chief Executives, local government officers and the wider public service. We are committed to an ongoing relationship where we are open about the challenges we collectively face and where we work together, as one public service, to meet those challenges. Shared leadership will require trust, a willingness to work together and to compromise, as well as a mutual appreciation of our respective but distinctive roles in improving outcomes for people in Wales.

¹¹ <http://gov.wales/docs/strategies/160920-taking-wales-forward-en.pdf>

- 4.1.6 Part of Welsh Government's commitment to this will include looking to reduce performance reporting requirements, including plans, annual reports and strategies. We will ensure this approach is reflected in the legislative proposals brought forward in a new Local Government Bill. But we will also work with colleagues more broadly across Welsh Government to remove unnecessary burdens put on local government. We will continue to consider the use of specific grants, seeking to offer as much financial flexibility as possible for local government to work within.
- 4.1.7 We remain committed to providing a general power of competence to Local Authorities and those Community Councils which meet minimum criteria. This will allow local government to do more, being more innovative and flexible in their approach. Local Authorities will be able to use this power to work with others to provide cost-effective services and facilities in new ways to meet the needs of local communities. A Council could lend or invest money; or set up a company or co-operative society to trade and engage in commercial activity. Use of the power is not restricted to the geographical area of the authority or for the benefit of its residents. It offers Local Authorities a breadth of opportunity to innovate, and local citizens must be part of this joint enterprise.

4.2 Distributed Leadership

- 4.2.1 Everyone has some leadership responsibilities. Faced with a problem to be solved, the first question any employee of local government should ask "What contribution can I make to resolving this matter?" A full resolution will then involve contributions from others, working together. This form of distributed leadership is the antithesis of an approach which invites employees always to pass problems higher and higher up hierarchical management structures.
- 4.2.2 Effective leadership will be key to enabling and delivering these changes. Not only is there a corporate responsibility for leadership. There are also expectations on individuals, Elected Members and officers, to take responsibility for leading. This goes way beyond any legislation or guidance that Welsh Government or others may produce. This is an ethos; a commitment to developing learning organisations, where the needs of local people and communities are put at the heart of decision making and our approach is based on a co-productive relationship. We have already set out the values we expect all public services, including Welsh Government, to embody through 'One Welsh Public Service'.¹² These values are set within the context of the Well-being of Future Generations Act and articulate some of the behaviours we would expect leaders at all levels to display in their daily working.
- 4.2.3 To support Local Authorities to build on this we will pursue a requirement for Leaders to undertake objective setting with Cabinet Members. As a result of feedback received during the previous consultation this will be amended to a minimum of twice during an election cycle, although Leaders can choose to do this more frequently. As previously proposed, we will place a new duty on leaders of political groups to promote good standards of conduct by their members and to co-operate with Standards Committees in exercising their functions. Where appropriate, Standards Committees will hear cases of

¹² <https://academiwales.gov.wales/pages/one-welsh-public-service>

alleged failure by members to perform prescribed performance duties, as well as breaches of the member code of conduct.

Consultation Question 20:

The Welsh Government would welcome comments on any of the proposals set out previously in the draft Local Government Bill and associated consultation paper, Annex One refers.

4.3 Performance and Improvement

- 4.3.1 Part of our plans to give local government the framework to lead includes an ongoing commitment to changing performance management arrangements. Welsh Government intends to repeal Part 1 of the Local Government (Wales) Measure 2009 (“the 2009 Measure”) for all ‘Improvement Authorities’.¹³

Fire and Rescue Authorities

- 4.3.2 The fire and rescue services in Wales have a track record of delivery. They have reduced fires and fire casualties by over 50% since responsibility was devolved in 2004. They also have a long history of regional working, having operated on that basis since 1996. In that sense, they already represent an example of the broad approach which this White Paper proposes for other Local Authority services.
- 4.3.3 However, Fire and Rescue Authority governance and funding arrangements do not generate sufficient accountability, for instance, Council leaders and cabinet members are generally not members. There is also no separation between executive and scrutiny functions, and budgets are set without any formal external challenge or control.
- 4.3.4 To correct this, and to ensure that fire and rescue services are properly integrated with other regionalised services, it is proposed that Fire and Rescue Authorities will change their governance arrangements so that their membership will resemble that of Joint Governance Committees, and budgets would be set on a pooled basis by agreement. This would not change the role, number or boundaries of Fire and Rescue Authorities, or their existence as separate organisations empowered to employ staff, spend money and exercise functions on their own account.
- 4.3.5 As part of the new Bill it is proposed that the 2009 Local Government Measure will no longer apply to Fire and Rescue Authorities from the same date as Local Authorities. They will not be subject to the new improvement and performance regime set out for Local Authorities. A full consultation will be undertaken in due course as to the new governance, funding and performance management arrangements for Fire and Rescue Authorities.

National Park Authorities

- 4.3.6 The Future Landscapes Wales programme, chaired by Lord Dafydd Elis-Thomas AM, was established in October 2015 and involves representatives of the National Parks, Areas of Outstanding Natural Beauty, interest groups and business. It was initially tasked to explore the Marsden Report on the Review of Designated Landscapes in Wales and consider the case for reform.

¹³ Improvement Authorities are: Local Authorities, the National Parks and the Fire and Rescue Authorities

- 4.3.7 The Marsden Report recommended that “*The Welsh Government should reduce the disproportionate regulatory burden on National Park Authorities that is designed for larger and more complex Local Authorities.*” This view is endorsed by Future Landscapes Wales which is advocating that work should begin immediately to develop a proportionate approach to planning and performance reporting which discharges duties under the Well-being of Future Generations Act and can be adopted as substitutes or supplements to the other statutory reporting requirements.
- 4.3.8 As part of the new Bill the 2009 Local Government Measure will no longer apply to National Park Authorities from the same date as Local Authorities. They will not be subject to the new improvement and performance regime set out for Local Authorities. An alternative approach will be developed tailored to the needs and size of the National Park Authorities, but consistent across all three.

Consultation Question 21:

The Welsh Government believes that Part 1 of the Local Government (Wales) Measure 2009 should be repealed for all ‘Improvement Authorities’. Do you agree? Why?

Local Authorities

- 4.3.9 Following positive feedback, Welsh Government remains committed to changing the performance framework to one that is guided by the principles of the WFG Act and informed by good governance principles. Local Authorities will be required to secure good governance (as set out by the CIPFA good governance framework)¹⁴ and in doing so take part in self assessment and peer review. Local government, working with its partners and with constructive external challenge, is best placed to understand how to build and deliver excellence within the sector, for the sector. The provisions in the Draft Bill allow for flexibility in how Local Authorities approached self assessment and peer review. We remain committed to local ownership of performance and giving Local Authorities choice in how they deliver improvement.
- 4.3.10 Our expectations of Local Authorities to take greater responsibility for their improvement journey remains. Welsh Government intends to require Corporate Governance and Audit Committees to take a greater role in challenging the performance of their Local Authority area, ensuring Elected Members are at the heart of driving improvement.
- 4.3.11 Audit, inspection and regulation bodies also have a role to play in enabling local government to achieve more for local people. Welsh Government remains committed to asking these bodies to work together more effectively and also work more closely with Authorities to support better outcomes for citizens.
- 4.3.12 As previously set out, Welsh Government will retain a power of intervention, and the ability to commission and act upon the findings of independent governance reviews, where there are concerns. This is in addition to intervention arrangements under service specific areas.

¹⁴ <http://www.cipfa.org/policy-and-guidance/standards/international-framework-good-governance-in-the-public-sector>

5. LEADING LOCALITIES

5.1 Working in Partnership with People

- 5.1.1 Local government has a key role in helping communities to define the futures to which they aspire. This isn't just about organisations working with each other when there is crisis; but about how they work together *with* their communities to prevent crisis. Co-production with citizens must be at the heart of this. There are legitimate roles for local communities (whether through a Community Council and/ or community groups), Local Authorities, regional bodies, and national Governments in 'place shaping'.
- 5.1.2 In shaping the future for communities in Wales there needs to be a golden thread that links community level aspirations with national goals. The Well-being Goals set that framework. To make this golden thread a reality requires close working between Community Councils, Local Authorities, other public bodies and Public Services Boards, and any regional arrangements. The challenge will be to all head in the same direction, without unnecessary duplication. Working in partnership to maximise outcomes for people and communities; ensuring that organisations are undertaking the most impactful activity given their skills, expertise, and remit.

5.2 Role of Councillors

- 5.2.1 Our proposals for local government reform put Councillors at the heart of the process, leading their local communities. Local Councillors, whether sitting on Community Councils or Local Authorities, are critical in advocating for communities and individuals. They are elected to represent their communities, speaking up for their ambitions and aspirations, but also holding to account those responsible for decisions around and delivery of services, ensuring that services meet the needs of local people and communities.
- 5.2.2 Councillors must represent their communities, but they should also be representative of their communities. Our aim is to promote greater diversity amongst those who stand for election. To strengthen this connection we are taking steps to increase diversity among those who stand for election and encourage greater participation in local democracy.
- 5.2.3 We have been working over the last three years to create a diverse pool of candidates for the local elections later this year. Since the publication of the McAllister report "On Balance"¹⁵ in 2014, the Welsh Government has led the Diversity in Democracy campaign. As well as encouraging political parties to commit themselves to selecting candidates from under-represented groups in winnable seats, the campaign has included the recruitment of around 50 mentees, who have shadowed existing Councillors.
- 5.2.4 We will use evidence from the WLGA's exit survey on Councillors standing down this year, the candidates' survey of all those standing for election this year, and the evaluation of our Diversity in Democracy programme to examine how the profile of Councillors changes in 2017 and give consideration to what more needs to be done.

¹⁵ <http://gov.wales/topics/localgovernment/publications/expert-group-report/?lang=en>

- 5.2.5 We propose to retain the provisions from the Draft Bill which would require Local Authorities to produce strategies explaining how the public can understand how decisions are made and how they can participate in the process. In addition, we intend to make broadcasting of Council meetings – already widely practised – a statutory requirement and Councils will be required also to allow Members to attend Council meetings remotely if they have domestic, business or travel difficulties preventing them getting to the main meeting place.
- 5.2.6 New duties for Leaders of political groups to ensure high standards of conduct amongst their members will add to a package designed to make life as a Councillor more attractive and to encourage a more diverse range of people to consider involvement in the future.
- 5.2.7 Councillors are the voice of their communities. The previous White Paper and Draft Bill sought views designed to provide clarity as to what local people can expect from Local Authority Councillors. This included holding regular surgeries, responding to correspondence in set timescales, publishing reports on their activities. In the light of the Jo Cox tragedy and other representations, we intend to modify the need to hold surgeries with a provision which requires that Councillors must provide opportunities for their constituents to be in contact with them, there will be a menu of choices that Councillors will be able to choose from to best suit their local communities.
- 5.2.8 The Draft Bill included some proposals which we now consider to be too rigid. Leaders were to be required to hold annual public meetings. All Councillors were to be required to produce annual reports. Instead we intend to bring forward proposals that offer Leaders and Councillors a menu of how they might improve, where necessary, their interaction with the public. The important point will be that they engage consistently – and make themselves available to the public – and provide regular information as to how they have done this.

Consultation Question 22:

The Welsh Government believes there should be minimum expectations on Councillors for interacting with their local constituents. Do you agree or disagree? If so, what should these minimum expectations be?

5.3 Listening to Localities

- 5.3.1 Local people and communities should also have the opportunity to put their views forward through an open dialogue with their Local Authority. The previous White Paper and Draft Bill set out proposals requiring Local Authorities to set out how they intend to support and encourage their local communities to participate in the democratic process, outlining how local people would be able to contribute to the development of plans and policies. We believe this remains critical and we intend this to include how local people can be part of the regional as well as the local democratic process.
- 5.3.2 The previous White Paper and Draft Bill proposed a requirement to establish ‘community area committees’ for all Local Authorities as a mechanism for gathering views on local priorities and objectives to be fed into the decision-making process. There was strong resistance to requiring such an arrangement in the previous consultation, particularly around the potential for these committees to take on functions. Part of the rationale for ‘community

area committees' was to counterbalance concerns that larger merged Local Authorities would be further from local communities, therefore such a provision is no longer necessary. However, Section 18 of the Local Government Act 2008 already allows Local Authorities to establish area committees; some Local Authorities are using these and have indicated that the legislation could be amended so Local Authorities could choose to establish them or to use existing area committees to be used in more flexible ways.

Consultation Question 23:

The Welsh Government believes it could be helpful to make some minor changes to existing area committee legislation to increase their flexibility. What do you believe these changes should be?

5.4 Balancing Local and Regional Leadership

- 5.4.1 The requirement for Local Authorities to work on a regional basis will have implications for the way in which Councillors, the Local Authority and employees operate. All will need to be clear about how they balance the responsibilities they have to their local area, with those for the larger region.
- 5.4.2 Councillors and officers are expected to act with integrity, honesty, impartiality and objectivity for the best interests of their communities and to act in the public interest. The proposed regional arrangements will require them to act in the interests of both their Local Authority and any regional arrangement. There will be times when decisions made in one setting will have implications for the other. We will have to be clear about how these responsibilities interact with each other.
- 5.4.3 We intend to review the Member¹⁶ and employee¹⁷ codes of conduct to ensure they support effective decision-making at the local and regional level.

Consultation Question 24:

The requirement for Local Authorities to work on a regional basis will require Councillors, the Local Authority and employees to balance the responsibilities they have to their local area, with those for the larger region. How best could this be achieved?

5.5 Local Government Functions

- 5.5.1 In the previous White Paper and Draft Bill, we proposed to revoke Section 13 of the Local Government Act 2000 and replace it with provisions which would allow Local Authorities to make their own decisions on the allocations of functions, subject to statutory guidance and a fall-back power of intervention by Welsh Ministers. In delivering the new regional model, Local Authorities may need to delegate functions to the regional arrangement. There could be significant complications if these functions are delegated in different ways. It would also affect the representation of the participating authorities if functions were the responsibility of the executive in some, but the full Council in others.

¹⁶ The conduct of members is governed by a set of 10 general principles of conduct (based on the 7 Nolan principles) prescribed in the Conduct of Members (Principles) (Wales) Order 2001 and a code of conduct prescribed in the Local Authorities (Model Code of Conduct) (Wales) Order 2008.

¹⁷ The code of conduct for "qualifying employees" is prescribed in Code of Conduct (Qualifying Local government Employees) (Wales) Order 2001

- 5.5.2 During the initial stage of the establishment of regional arrangements, it would be best if individual Local Authorities had similar provisions for the responsibility for functions within the Council. In the longer term, it may be possible to revisit this and see whether a change along the lines previously considered would be practical and preferable. Therefore Welsh Government is not proposing to move from the existing regime at this time.
- 5.5.3 In the meantime, Welsh Government intends to consult with local government on amendments which are required to the existing regulations in order to capture new responsibilities which have been placed on Local Authorities in recent years.
- 5.5.4 The Localism Act 2011 enabled English authorities to return to the committee system. Only a handful have done so. The Welsh Government suggests that Councils in Wales should have the opportunity to choose a non-executive model if they wish. Any move away from a cabinet system would require different rules for the appointment of members to any joint regional governance arrangement. They would have to ensure that it did not provide an obstacle to them effectively participating in regional arrangements.

Consultation Question 25:

The Welsh Government intends to make a return to a form of the committee system available to Local Authorities where it best meets local circumstances. How would this option best work within the context of the proposals for new regional arrangements?

5.6 Leadership from Officers

- 5.6.1 The move to a regional model will take time. Leading the workforce during this period will require strategic vision across all tiers of the organisation. Evidence has shown that leaders who are not committed fully to a process fail to maximise the opportunities for change.
- 5.6.2 Bringing together disparate teams to plan, commission and deliver a single regionalised service brings immediate challenges but longer term benefits. Leaders will need to consider how they can for example, harmonise terms and conditions that will meet the needs of both the workforce and the organisations.
- 5.6.3 Collaborative arrangements will have implications for all statutory officers. There are a number of statutory positions that have been created including:
- Head of Paid Service
 - Chief Finance Officer
 - Monitoring Officer
 - Head of Democratic Service
 - Director of Social Services
 - Director of Education
 - Director of Children’s Services
- 5.6.4 Delivery of a regional service would be best facilitated if the statutory responsibilities for that regional service fell to a single individual, for example education responsibility would fall to a regional education director. The structure beneath the regional management will be for the Local Authorities

and regional management to discuss and agree. It is envisaged that the organisational structures beneath the regional management team will adapt over time. We will examine the existing legislation in respect of statutory officers to ensure it contains appropriate provisions, so that, over-time, clarity can continue to be provided as to how a regional model would work in terms of statutory officers responsibilities.

Consultation Question 26:

The Welsh Government believes it may be appropriate to limit future designation of relevant statutory Senior Officer posts to a regional level where the functions are being delivered regionally. Do you believe this is appropriate? Why? If so, how might this best be delivered?

6. COMMUNITY COUNCILS

- 6.1.1 The WFG Act provides a shared vision for public services in Wales for the future. Community Councils should all be considering how they can increasingly work with other partners and local citizens to contribute to the well-being of their area, regardless of whether they have a legal duty to do so or not.
- 6.1.2 Community Councils are an integral part of local government. They are often closest to people and local communities, and therefore uniquely placed to see, and provide, those services which can have a significant impact on an individual's well-being. Where Community Councils exist within an area, Local Authorities and Public Services Boards will look to them to be a voice of communities. Like Local Authority Councillors, Community Councillors must represent and be representative of their communities. They should actively engage with their local people and businesses to help identify ambitions and needs of local communities, but also to understand the strengths and assets that their communities have.
- 6.1.3 There is enormous variability in current arrangements, not only in terms of coverage, but in responsibilities, budgets and ambition. As such it is important that we take the opportunity to consider what we could learn from the high performing Community Councils and give consideration to how we might support all Community Councils into this space. This includes consideration of the support that Community Councils might need, but also the flexibility that would help them go further in their ambitions.
- 6.1.4 We need to open up an honest debate about what the future of Community Councils might look like, and consider what the right organisational format is to support local communities. To contribute to this debate the Welsh Government will commission a comprehensive review of the Community Council sector. Until we have concluded that work we do not intend to proceed with structural reform or to commission the Local Democracy and Boundary Commission for Wales to undertake reviews of Community Council arrangements at this time.
- 6.1.5 Whilst we need to look to the longer term future of Community Councils, the sector cannot stand still. There are things that can be done now to strengthen the role of Community Councils and improve their operation and governance, enabling them to take on the provision of services and assets to local communities where they choose to do so.
- 6.1.6 We have developed an 'agenda of action' to help build resilience and renewal in the sector in the short to medium term. Many of these are actions we can take together using existing powers.
- Producing a toolkit to support Community Councils in working through what is required in taking on new services and assets, building on experiences of the key ingredients.
 - Re-energising ties between Community Councils and Local Authorities and provide a platform to share the good examples across Wales, bringing the new cadre of county and Community Councillors together after the Local government elections next year at a conference focused on strengthening these key relationships.

- Facilitating the creation of clusters of smaller Community Councils, by making some modest funding available to support the initial setting up of joint arrangements.
- Commissioning the Local Democracy and Boundary Commission for Wales to draw up guidelines for Local Authorities to secure consistency in the manner in which community reviews are conducted.
- Supporting Community Councils to raise awareness of and encourage participation in Community Council elections, and to increase diversity.

6.1.7 Some of the actions we can take would require us to legislate, and we intend to use this opportunity to do so.

- Making the General Power of Competence available to innovative ambitious Councils looking for more freedom to serve their communities. The proposal we have previously consulted on remains essentially the same, with some changes planned to how Councils which meet the requirements and pass a resolution are referred to: and how long Councils continue to hold the status after passing a resolution
- Previously we proposed placing a duty on Local Authorities to consider whether certain training should be compulsory for members of Community Councils. We still believe there would be value in all Community Councils considering whether they have the skills and expertise needed to be able to operate effectively. Therefore we intend to place an obligation on Community Councils to consider and plan for their training needs, and publish and review their plan regularly. The duty could be met in a way which was proportionate to the size and responsibilities of the Council.
- Ensuring citizens are kept informed and have the right to make representations on any business conducted at a Council meeting, learning from where this is done well. This is part of an ethos of co-production.

Consultation Question 27:

The Welsh Government believes there are things that can be done now to help build resilience and renewal in the sector in the short to medium term and would welcome comments on the list of actions at paragraph 6.1.6 that could be taken in the short term to help the sector be more effective/ resilient views on any other actions which could be taken?

7. ELECTIONS AND VOTING

- 7.1.1 This White Paper is being published as the Wales Bill comes towards the end of its Parliamentary journey. Therefore many of the proposals that we are seeking views on in this chapter are predicated on the National Assembly for Wales assuming greater responsibility in these areas. We are therefore seeking initial views to help inform thinking on reforms to electoral registration and voting arrangements. The National Assembly will be considering separately the potential for reforms to its elections. A more detailed consultation will take place later this year, subject to the Wales Bill being passed, on the detail of reforms.
- 7.1.2 Proposals Welsh Government are likely to consider are; a review of postal voting procedures, the use of all-postal elections, electronic voting, electronic counting of votes, voting at places other than polling stations, and proposals to hold elections on different days. Consideration will also be given to whether local returning officers/ electoral registration officers would be allowed to trial these reforms in different ways better to meet the needs of different communities and locations. Proposals will be brought forward to remove entitlement to personal fees for returning officers.
- 7.1.3 Welsh Government also intends to explore how a single electronic register for Wales might be developed. This would include looking at issues such as; data sharing, automatic voter registration, and greater access to register information by Local Authority staff. Importantly, consideration will be given to reducing the voting age to 16 for local government elections. It should be noted that the franchise for elections to the National Assembly is the same as that for local government. On the basis of the provisions of the Wales Bill, the Assembly would be able to determine whether that arrangement would remain for the future.
- 7.1.4 Welsh Government remains committed to moving to a five-year term for local government. However in doing so we would require greater transparency for those standing for office. We are considering a proposal to require candidates to make clear whether they were or are members of a registered political party, whether they were formally selected to stand for that party or not. All candidates would also be required to publish election statements to a central website to allow voters easily to access information on the manifestos of all candidates. Welsh Government intend to take forward previous proposals preventing Assembly Members from also serving as Councillors concurrently.
- 7.1.5 Each Local Authority has its own democratic mandate and is made up of Councillors who serve as the directly elected representatives of local people. It is vital that the system for electing local Councillors is one which commands the respect and confidence of local people. Therefore we are exploring the following reforms which would allow local government greater flexibility to put in place local electoral arrangements.
- 7.1.6 Currently Local Authorities in Wales use the 'First Past the Post' system¹⁸ of voting. It has been used in local government elections in Wales for well over a century. 'First Past the Post' means that candidates with the most votes win

¹⁸ First Past the Post System: Voters put an X next to their favoured candidate and the candidate with the most votes in the constituency wins.

seats. For example, an area is divided into a number of electoral wards and each ward has a fixed number of Councillors, this can range from one up to as many as five. In an election, voters in a ward have as many votes as there are Councillors (although the voter need not use every vote). The votes cast for each candidate are counted and totalled. If the ward is entitled to one Councillor, then the candidate with the most votes in that ward is elected; if the ward is entitled to two Councillors, the two candidates with the most votes in that ward are elected, etc up to five candidates.

- 7.1.7 Supporters of the ‘First Past the Post’ system take the view that the voting and counting procedures are simple and there is a straightforward relationship between where a candidate finishes in the final tally and whether or not they are elected. Opponents claim that the system produces results which are often disproportional, (i.e. the system favours the strongest party locally and therefore does not reflect the preferences of voters across the area). Critics also take the view that this system encourages tactical voting and votes can be “wasted” i.e. cast for candidates who have little or no chance of winning, or for the winning candidate above the level they need to win.
- 7.1.8 The Welsh Government believes, subject to powers in this area being devolved to Wales, that like the National Assembly for Wales, local authorities as a tier of government should have the opportunity to consider the appropriateness of their own voting arrangements.
- 7.1.9 There are several other systems in use elsewhere. For example, elections to the National Assembly for Wales, the Scottish Parliament and the London Assembly are conducted under the ‘Additional Member’ system¹⁹; elections in Great Britain to the European Parliament are held under the ‘Party List’ system.²⁰ The ‘Additional Member’ and ‘Party List’ systems require voters to choose from a list of candidates presented by a registered political party. Whilst Independent and non-affiliated candidates are able to stand their chances of election are much reduced.
- 7.1.10 The Northern Ireland Legislative Assembly and local Councils in both Scotland and Northern Ireland are elected using the ‘Single Transferable Vote’ system.²¹ In the ‘Single Transferable Vote’ system voters are asked to rank the available candidates in order of preference. To be elected, a candidate must achieve a minimum “quota”, or share of the votes, determined by a calculation based on the number of people voting and the number of seats to be filled. By ranking their vote, if the voter’s preferred candidate has no chance of being elected or has enough votes to achieve

¹⁹ Additional Member System: A hybrid voting system where voters are asked to vote in two ways. It combines elements of First Past the Post where voters mark an X next to the candidate they want to represent them in their constituency, and proportional representation, where voters mark an X next to a party who have a list of candidates to represent a larger regional constituency.

²⁰ Party List System: Parties present lists of candidates, seats are awarded according to their party’s share of the vote. This is usually done using an electoral formula or a quota.

²¹ Single Transferable Vote System: Voters rank candidates in order of preference. To get elected, candidates need to reach a set share of the votes (determined by the number of seats to be filled). Each voter gets one vote, which can transfer from their first-preference to their second-preference. If your preferred candidate has little chance of being elected or has enough votes already, your vote is transferred to your second choice candidate in accordance with your instructions.

and exceed the quota, their vote may be transferred from the voter's first-preference to their second-preference.

- 7.1.11 The 'Single Transferable Vote' system produces election results which generally reflect the proportions of votes cast for the different political parties, groups and independents across the total area. This system does not present the same difficulties for independent or non-affiliated candidates as the 'Additional Member' or 'Party List' systems.
- 7.1.12 The Welsh Government considers that, because of the substantial presence of independent candidates, among the alternatives, the other electoral system which best reflects the current and future needs of local government in Wales is the 'Single Transferable Vote'. As such, the Welsh Government proposes to make legislation which will allow Councils in Wales to decide which voting system best reflects the needs of their local people and communities. Local Authorities will be able to use the 'First Past the Post' or the 'Single Transferable Vote' systems for elections to their Council.²² It will be for Councils themselves to make the choice of voting systems for their own localities.
- 7.1.13 Councils will continue to use the current electoral system, until such time as they decide to change. If a Council decides to change electoral arrangements, it must use the new system for at least the next two whole Council ("ordinary") elections which follow the decision. After two whole Council elections under the new electoral system, a Council will be able to switch back to the previous system if it chooses to do so. By-elections will be held using the same electoral system as is being used for the whole Council elections.
- 7.1.14 The Welsh Government does not intend to extend the option to Community Councils of the 'Single Transferable Vote' system at this time. It will be considered as part of the review of Community Councils paragraph 6.1.4 refers.

Consultation Question 28:

The Welsh Government is seeking initial views on all of the proposals set out in Chapter 7 on elections and voting.

Consultation Question 29:

The Welsh Government would welcome any views on the potential financial and non-financial benefits and costs associated with the proposals in the White Paper.

Consultation Question 30:

The Welsh Language Impact Assessment published alongside the White Paper outlines the Welsh Government's view of the effect of the proposals contained in the White Paper on the opportunities for people to use the Welsh language and treating the Welsh language no less favorably than the English language. The Welsh Government seeks views on that assessment. Are there any other positive or adverse effects not identified in the assessment? Could the proposals be re-formulated so as to increase the positive effects or reduce any possible adverse effects?

²² The proposal is conditional on the National Assembly for Wales being granted responsibility for local government elections under the Wales Bill currently going through Parliament

Consultation Question 31:

The Children's Rights Impact Assessment published alongside the White Paper outlines the Welsh Government's view of the effect of the proposals contained in the White Paper on children and young people. The Welsh Government seeks views on that assessment. Are there any other positive or adverse effects not identified in the assessment? Could the proposals be re-formulated so as to increase the positive effects or reduce any possible adverse effects?

Consultation Question 32:

The Equalities Impact Assessment published alongside the White Paper outlines the Welsh Government's view of the effect of the proposals contained in the White Paper on protected groups under the Equality Act 2010. The Welsh Government seeks views on that assessment. Are there any other positive or adverse effects not identified in the assessment? Could the proposals be re-formulated so as to increase the positive effects or reduce any possible adverse effects?

Consultation Question 33:

Please provide any other comments you wish to make on the content of this White Paper.

8. ANNEX ONE: Status of Proposals Consulted on as Part of the Previous Draft Bill Consultation

Table One: Status of Previous Draft Bill Provisions

Policy Proposal	Included in new Bill	Commentary
Part 1: Local Government Areas and Councils		
Local government areas (<i>Compulsory Mergers</i>)	Omit	Compulsory mergers are no longer Government policy.
County Councils	Retain	These sections are mainly intended to update and make clearer the language used to express the basic constitutional arrangements for Local Authorities in Wales. Retention is part of a long term process to make the ancient and sometimes complex law of Local Authority constitutions more open and transparent. Section 12 (change of name of Council) will be retained but amended to refer to county boroughs also, since county borough status will not be abolished as originally proposed.
Establishing the Councils for the new counties	Omit	Proposal was consequential upon compulsory mergers.
Part 2: General Power of Competence		
The general power	Include	There was widespread support for a general power of competence. This proposal will be included in the new Bill.
Eligibility for the general power for Community councils	Amend	Basic proposal remains, some changes to the community councils which meet the requirements and pass a resolution are referred to: and how long councils continue to hold the status after passing a resolution.
Part 3: Promoting Access to Local Government		
Public participation in local government	Retain	This proposal will be included in the new Bill. It would place a duty on Local Authorities to encourage local people to participate in the Council's decision-making processes, input their views and have them taken into account. would also require Councils will be required to consult widely on their budget proposals.
Community area committees	Amend	Omit requirement to have Area Committees of the kind expressed in previous provisions. The White Paper seeks views as to whether, for those local authorities which might wish to operate or continue to operate area committees, any changes are required to the current provisions.
Improvement requests	Omit	There was not sufficient support for this proposal.

Policy Proposal	Included in new Bill	Commentary
Access to meetings etc	Amend	Duty on Leaders/mayors to address public meetings to be modified to enable flexibility about how Leaders engage with the public. This will include a requirement to publish how they intend to do this and report on how successful their initiatives have been. Other proposals in this section retained for inclusion in the new Bill.
Duty to publish a constitution guide	Retain	This proposal will be included in the new Bill. It will require Councils to produce an easy-to-read summary of their constitution, enabling people to see how decisions are made and by whom.
Part 4: Functions of County Councils and Their Members		
Duties on members of county Councils	Amend	Retain in principle but make some minor amendments such as the duty to hold surgeries to be changed to one of facilitating discussion of constituents' issues with them in private; annual reports duty to be replaced by one requiring Councillors to say how they have carried out communications with their electorate. In response to consultation responses, we intend to extend the period of time from two to three weeks for Councillors to respond to correspondence.
Breaches of duties	Amend	A Member receiving a sanction from a standards committee can become subject to a petition which, if receiving sufficient signatures (at least 20% of the local electorate), would trigger a by election.
Further provisions about duties on members	Retain	Leaders of political groups to be required to promote good standards of conduct amongst their Members. This proposal will be included in the new Bill. The provisions relating to the role of standards committees in providing advice and training on the new duties of members will also be retained.
Executives of county Councils	Amend	We will retain the need for leaders to agree objectives with their Cabinet Members, but allow flexibility about the regularity of review.
Appointment of certain chief officers	Retain	This proposal will be included in the new Bill. It will require leaders to make arrangements to manage the performance of the chief executive and also provide that the Head of Democratic Services become a chief officer position.
Overview and scrutiny committees and standards committees	Retain	This proposal will be included in the new Bill and will require the establishment of joint overview and scrutiny committees where services are being delivered collaboratively.
Minor amendments to other legislation	Retain	These will be included in the new Bill.

Policy Proposal	Included in new Bill	Commentary
Part 5: County Councils: Improvement of Governance		
Duty to make arrangements to secure good governance	Retain	This proposal will be included in the new Bill.
Corporate plans	Omit	The WFG Act in effect already asks local authorities to produce a corporate plan.
Assessments of governance arrangements	Retain	This proposal will be included in the new Bill. Local Authorities will be required to secure good governance, this will be tested through regular self assessment and period peer review.
Governance reviews and intervention	Retain	This proposal will be included in the new Bill.
Co-ordination between regulators	Amend	This proposal will be included in the new Bill but amended following feedback from regulators.
Corporate governance and audit committees	Retain	This proposal will be included in the new Bill.
Part 6: Community Councils		
Review of Community Council arrangements	Omit	An independent review to take a more comprehensive look at the future of the community council sector is being commissioned, .
Members of Community Councils to complete training	Amend	Rather than require Community Councillors to undertake specific training community councils will be placed under a duty to consider their training needs and prepare and publish a plan setting out how it proposes to respond to the training needs identified.
Community Council election dates	Amend	The proposal to change the term of office from four years to five years is retained but the change no longer needs to be linked to the timescales for introducing compulsory mergers and will be linked to the introduction of five year terms for principal authorities generally.
Part 7: Workforce Matters		
Guidance on workforce matters	Amend	Consideration will be given to retaining a statutory guidance power, enabling Welsh Ministers to issue guidance about workforce matters.
Public Services Staff Commission	Omit	The Staff Commission will not be put on a statutory footing but will continue until April 2018.
Part 8: General and Schedules		
General		
Interpretation	Amend	Will need to reflect final content of Bill on introduction.

Policy Proposal	Included in new Bill	Commentary
Application of Act in relation to counties and county boroughs until 1 April 2020	Omit	Provision was consequential upon compulsory mergers.
Powers to make consequential etc provision / regulations and orders	Amend	Will need to reflect final content of Bill on introduction.
Coming into force	Amend	Will need to reflect final content of Bill on introduction.
Schedules		
Counties in Wales	Omit	Provision was consequential upon part 1, chapter 1
New Councils: first ordinary elections	Omit	Provision was consequential upon part 1, chapter 1
New Councils: finance	Omit	Provision was consequential upon part 1, chapter 1
Transitional etc provision	Omit	Provision was consequential upon part 1, chapter 1
The 1972 Act: amendments and transitional provision	Retain with some omitted	Most of these provisions are linked to the intention to update and make clearer the language used to express Local Authorities' constitutional arrangements and these will be retained. County borough status will continue so the provisions which removed the status are not needed and will be omitted. Omit the provisions which removed the options to have elections by halves and thirds. Principal authorities will continue to have the options available to them.
Assistants to Local Authority executives	Retain	Enables appointment of deputy cabinet members.
Consequential amendments: chief executive	Retain	Council Leaders will be required to set objectives for chief executives.
Community area committees: further amendments and repeals	Omit	Consideration now being given to amending existing legislation which provides for local authorities to have area committees, rather than replacing it.
Renaming of county Council audit committees	Retain	Broadens power of audit committees and renames as Audit and Corporate Governance Committees

Table Two: Status of Proposals in the Accompanying Consultation Document to the Draft Bill (where not covered in the White Paper above)

Policy Proposal	Included in new Bill	Commentary
Part 1: Local Government Areas and Councils		
Accounts and Audit Requirements	Include	If there are any changes required to the existing framework as a result of mandatory and systematic regional working, these will need to be reflected in the new Bill.
Council Tax	Exclude	Linked to Local Authority merger proposals.
Non-Domestic Rates	Include	Additional powers for Billing Authorities to require information from non-domestic rate payers and inspect non-domestic properties, where necessary for the investigation of potential fraud or avoidance of rates.
Part 3: Promoting Access to Local Government		
Conduct of business (review of schedule 12, LGA 1972)	Include	This will enable notices of meetings and other papers to be produced electronically only, if so desired.
Removal of the restriction on having community council meetings in licensed premises	Include	This will enable community councils to hold meetings in licensed premises. There is no longer an intention to propose that community councils adopt standing orders prohibiting the consumption of alcohol at meetings.
Part 4: General Power of Competence		
Delegation of functions to third parties	Include	It is proposed to reform Part 2 of the Deregulation and Contracting Out Act 1994 to provide for a new regime that will allow Local Authorities to delegate the exercise of certain of their functions to third parties, by order made by the Welsh Ministers.
Electoral Qualifications – 'serving on more than one council	Exclude	Consideration of whether an elected member of a principal council should be able to serve on a Community Council, or a community Councillor should be able to serve more than one community council, will form part of the review of the community council sector.
Remote attendance at meetings	Include	This will make it a requirement for Local Authorities to have arrangements for remote attendance.
Remuneration of members: power for WMS to guide the	Exclude	Welsh Ministers can provide view to IRP in the remit letter if so desired.

Policy Proposal	Included in new Bill	Commentary
IRP to review model of remuneration.		
Powers to dismiss Senior Officers	Exclude	No enthusiasm to follow English route of dispensing with role of Independent Person.
Transfer of Local Authority assets / community asset transfer	Exclude	Existing guidance on community asset transfers was updated in March 2016 and will continue to be kept under review.
Part 5: County Councils: Improvement of Governance		
State of Local Government Report	Omit	We do not intend to pursue powers in this area.
Single Information Portal	Omit	Legislation would not be required to create an information portal
Complaints	Omit	Complaints handling would be considered under the broader 'good governance' requirement
Part 6: Community Councils		
Community councils: publication of annual report	Omit	No longer proceeding with this requirement.
Performance Management of Community Councils	Omit	Consultation on the previous draft bill showed general support for performance management but confirmed this was already happening as part of good employment practices and did not need to be further legislated for.
Review of Community Council legislation	Omit	Consideration is being given to potential for consolidation of existing legislation but any proposed changes to the provisions in the Local Government Act 1972 would need to be informed by the review of the community council sector.
Community Polls	Omit	Provisions in relation to polls conducted for the purpose of forming or dissolving a community council will stay in place pending the review of the community council sector and any legislative reform which follows.

9. ANNEX TWO: Consultation Questions

Your Name	
Organisation (if applicable)	
Email/ telephone	
Your address	

CHAPTER 2

<p>Consultation Question 1. (Para 2.2.1): The Welsh Government believes that it appropriate to consider 'tests' to frame thinking around regional working.</p> <p>a) Do you think the 'tests' set out are helpful in guiding thinking?</p>
<p>b) Are there other tests or considerations that might also be used?</p>
<p>Consultation Question 2. (Para 2.3.35): In this White Paper the Welsh Government has set out a number of areas which it believes should be required to be delivered on a regional basis.</p> <p>a) Do you agree that these areas should be delivered regionally?</p>
<p>b) What practical considerations should we consider in taking these proposals forward?</p>
<p>c) What other 'ancillary' powers would be required to ensure the effective exercise of the functions exercised regionally?</p>
<p>Consultation Question 3. (Para 2.3.43): In this White Paper the Welsh Government has set out a number of areas which it believes could also be delivered on a regional basis.</p> <p>a) Do you think that Local Authorities should also be required to work regionally to deliver these functions?</p>
<p>b) Are there any other practical considerations we should be aware of?</p>
<p>Consultation Question 4. (Para 2.3.43): Are there any other functions that would benefit from a systematic approach to regional working?</p>

<p>Consultation Question 5. (Para 2.3.43): Welsh Government believes that, subject to engagement with local government and other partners, there should be flexibility to enable Welsh Ministers to mandate additional functions to be undertaken regionally.</p> <p>Do you agree or disagree? Why?</p>
<p>Consultation Question 6. (Para 2.3.44): The Welsh Government believes that the new arrangements should not prevent Local Authorities using their existing powers to undertake additional functions regionally.</p> <p>Do you agree or disagree? Why?</p>
<p>Consultation Question 7. (Para 2.4.16): The Welsh Government believes that some back office and transactional services ought to be organised and delivered regionally or nationally.</p> <p>Which services do you believe could best be organised and delivered these ways?</p>
<p>Consultation Question 8. (Para 2.4.16): The Welsh Government believes that overcoming data sharing issues is key to taking forward greater regional working of back office functions.</p> <p>a) What legislative obstacles have made progress on sharing services difficult?</p>
<p>b) How have they been or could they be overcome?</p>
<p>c) What challenges does data sharing pose?</p>
<p>Consultation Question 9. (Para 2.4.16): The Welsh Government believes sharing more back office functions would be helpful. There are a number of options:</p> <ul style="list-style-type: none">• Enable the NHS Wales Shared Service Partnership for providing services to local government (and others)• Establish a similar model to provide back office services to local government (and others).• Establish an alternative model to provide back office services to local government (and others). <p>a) Which do you believe would be most appropriate to best support regional working? Why?</p>

b) What other alternative models could work effectively and what steps could the Welsh Ministers take to enable or encourage local government-led alternative models to be implemented?
<p>Consultation Question 10. (Para 2.4.21): The Welsh Government believes that joint understanding and planning of public sector assets is essential to maximize their impact and that this requires regional mapping of estates assets and future intentions .</p>
a) How can this joint governance and decision making best be achieved?
b) Is the larger economic footprint the right one?
<p>Consultation Question 11. (Para 2.5.16): The Welsh Government believes a strengthened joint committee (a 'Joint Governance Committee') offers an appropriate governance model for regionally delivered services and intends to set out a framework for local government to use to deliver this.</p>
a) What should the democratic accountability and scrutiny arrangements be for such a model?
b) Should each participating Local Authority have equal voting rights or should they be weighted in some way?
<p>Consultation Question 12. (Para 2.6.5): The Welsh Government believes that in order to put in place arrangements which reduce complexity for Authorities and their partners the position for Bridgend needs to be considered. Although Bridgend is fundamentally concerned in this, other partners including other Local Authorities and the Local Health Boards also have valid interests. We are therefore seeking views on how best to address the issues set out here.</p>
<p>Consultation Question 13. (Para 2.7.9): The Welsh Government believes that 'Option3: A framework and a Footprint' is the most appropriate model for future regional working.</p>
a) What are your thoughts on the proposed mandatory economic development footprint for 'Joint Governance Committees'?
b) How could a framework approach for sub-regional working in other services areas operate in practice?

<p>c) Is it appropriate for there to be flexibility for regional working to cross economic development boundaries in exceptional circumstances? Which circumstances would they be?</p>
<p>d) How should the governance arrangements at the mandatory economic development 'Joint Governance Committees' have oversight of sub regional working?</p>
<p>Consultation Question 14. (Para 2.7.9): The Welsh Government are seeking views on the appropriateness of seeking powers to create a Combined Authority, in particular, comments on what minimum expectations there should be in considering the appropriateness of creating a Combined Authority would be welcomed.</p>
<p>Consultation Question 15. (Para 2.8.7): The Welsh Government believes that a mandatory financial framework should be developed to ensure the expenditure of each 'Joint Governance Committee' is met through pooled contributions from the constituent Local Authorities.</p>
<p>a) Should the expenditure of 'Joint Governance Committees' be met by constituent Local Authorities, in proportions to be agreed locally, to ensure the most flexible approach?</p>
<p>b) Should the framework provide for a default position if local agreement cannot be reached, and how such a process might be triggered?</p>
<p>c) What further considerations might relate to, or need to be included in, a financial framework?</p>
<p>Consultation Question 16. (Para 2.10.7): The Welsh Government believes that to support organisations to move to a more consistent and regional approach to delivering services it will be necessary to issue statutory guidance where there is an identified need.</p> <p>Do you agree or disagree? If you agree, what types of advice, guidance and support on leadership and workforce matters might lead to greater local, regional and national consistency?</p>
<p>Consultation Question 17. (Para 2.11.4): The Welsh Government believes it would be helpful if Public Services Boards could collaborate or merge across Local Health Board Boundaries.</p> <p>Do you agree or disagree? Why?</p>

Consultation Question 18. (Para 2.11.4):
The Welsh Government believes Public Services Boards should be allowed to de-merge as well as merge. Do you agree or disagree? Why?

CHAPTER 3

Consultation Question 19. (Para 3.1.7):
The Welsh Government would welcome comments on what minimum expectations there should be in considering the appropriateness of voluntary merger.

CHAPTER 4

Consultation Question 20. (Para 4.2.3):
The Welsh Government would welcome comments on any of the proposals set out previously in the draft Local Government Bill and associated consultation paper, Annex One refers.

Consultation Question 21. (Para 4.3.8):
The Welsh Government believes that Part 1 of the Local Government (Wales) Measure 2009 should be repealed for all 'Improvement Authorities'.

Do you agree? Why?

CHAPTER 5

Consultation Question 22. (Para 5.2.8):
The Welsh Government believes there should be minimum expectations on Councillors for interacting with their local constituents.
Do you agree or disagree? If so, what should these minimum expectations be?

Consultation Question 23. (Para 5.3.2):
The Welsh Government believes it could be helpful to make some minor changes to existing area committee legislation to increase their flexibility.

What do you believe these changes should be?

Consultation Question 24. (Para 5.4.3):
The requirement for Local Authorities to work on a regional basis will require Councillors, the Local Authority and employees to balance the responsibilities they have to their local area, with those for the larger region.

How best could this be achieved?

Consultation Question 25. (Para 5.5.4):
The Welsh Government intends to make a return to a form of the committee system available to Local Authorities where it best meets local circumstances.

How would this option best work within the context of the proposals for new regional arrangements?

Consultation Question 26. (Para 5.6.4):
The Welsh Government believes it may be appropriate to limit future designation of relevant statutory Senior Officer posts to a regional level where the functions are being delivered regionally.

Do you believe this is appropriate? Why? If so, how might this best be delivered?

CHAPTER 6

Consultation Question 27. (Para 6.1.7):
The Welsh Government believes there are things that can be done now to help build resilience and renewal in the sector in the short to medium term and would welcome comments on the list of actions at paragraph 6.1.6. Views on any other actions which could be taken are also welcomed

CHAPTER 7 & General Questions

Consultation Question 28. (Para 7.1.14):
The Welsh Government is seeking initial views on all of the proposals set out in Chapter 7 on elections and voting.

Consultation Question 29. (Para 7.1.14):
The Welsh Government would welcome any views on the potential financial and non-financial benefits and costs associated with the proposals in the White Paper.

Consultation Question 30. (Para 7.1.14):
The Welsh Language Impact Assessment published alongside the White Paper outlines the Welsh Government's view of the effect of the proposals contained in the White Paper on the opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language. The Welsh Government seeks views on that assessment.

a) Are there any other positive or adverse effects not identified in the assessment?

b) Could the proposals be re-formulated so as to increase the positive effects or reduce any possible adverse effects?

<p>Consultation Question 31. (Para 7.1.14): The Children's Rights Impact Assessment published alongside the White Paper outlines the Welsh Government's view of the effect of the proposals contained in the White Paper on children and young people. The Welsh Government seeks views on that assessment.</p>
<p>a) Are there any other positive or adverse effects not identified in the assessment?</p>
<p>b) Could the proposals be re-formulated so as to increase the positive effects or reduce any possible adverse effects?</p>
<p>Consultation Question 32. (Para 7.1.14): The Equalities Impact Assessment published alongside the White Paper outlines the Welsh Government's view of the effect of the proposals contained in the White Paper on protected groups under the Equality Act 2010. The Welsh Government seeks views on that assessment.</p>
<p>a) Are there any other positive or adverse effects not identified in the assessment?</p>
<p>b) Could the proposals be re-formulated so as to increase the positive effects or reduce any possible adverse effects?</p>
<p>Consultation Question 33. (Para 7.1.14): Please provide any other comments you wish to make on the content of this White Paper.</p>

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WLGA BRIEFING

31st January 2017

Welsh Government White Paper: Reforming Local Government: Resilient and Renewed

Background:

The White Paper builds on the policy proposals for regional collaboration outlined by the Cabinet Secretary during the autumn.

The WLGA broadly welcomed the proposals as local government was already collaborating, increasingly on a regional footprint on economic development and city deal bids. Whilst councils were generally supportive of a move to a more regional approach, there was consensus that such an approach needs to be balanced by a commitment to maintain clear local accountability and local democracy. The WLGA therefore argued that core principles of subsidiarity should underpin any regional reforms:

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

The WLGA also welcomed the Cabinet Secretary's approach to dialogue and engagement and he has met with the WLGA and regional boards numerous times and with all leaders and chief executives during the summer and autumn. There has also been regional officer engagement events and regional member engagement events during November and December which have fed into the Welsh Government's considerations.

The Cabinet Secretary also announced he was also committed to a number of proposals previously outlined (and supported by local government) in the Draft Bill last year, including the power of general competence, streamlining corporate planning and improvement bureaucracy etc.

As a result, there are very few surprises in the White Paper, other than proposals to consider electoral reform including votes for 16 year olds, allowing authorities to choose their own voting system (first past the post or Single Transferable Vote) and an option for councils to consider a return to the committee system.

In a BBC Radio Wales interview on 31st January, the Cabinet Secretary stated:

'...If things go well, I would like to be in a position to argue for a local government bill in the second year of the Assembly...it's a competitive process around the cabinet table, all cabinet members have pieces of legislation they'd like to take through the Assembly, you've got to be in a strong position to get your bill into the programme. I think we're on track to do that, but the White Paper process will either help that happen or hinder it. I want to work with local government and partners to make sure that we stay on track and can deliver this in the second year.'

The White Paper consultation closes on 11th April 2017.

The Cabinet Secretary made a statement on the White Paper at a plenary meeting in the National Assembly on 31st January 2017. All parties welcomed the Cabinet Secretary's approach to engagement. In response:

- Sian Gwenllian, Plaid Cymru – generally welcomed the approach, but questioned whether the multiple layers of services and governance might lead to confusion and greater complexity. She also welcomed the proposal for PR, but suggested it should be mandated across all 22 councils, rather than an option for local councils.
- Janet Finch-Saunders, Conservative - questioned the inclusion of proposals regarding electoral reform, suggesting it wasn't a priority for the public and that it might be an additional cost.
- Gareth Bennett, UKIP – broadly welcomed most of the White Paper proposals, but expressed concern at links between councillors and communities in planning being stretched currently and called for locally binding local referenda to enhance local democracy.

The WLGA will provide a fuller summary of the plenary debate and comments from other AMs in due course.

Regional Structures:

The Welsh Government considers 4 options:

1. **Mandating prescribed footprints for regional working** – this was the original proposal, whereby WG would specify which services had to be delivered on what footprints i.e. the health board and economic development footprints
2. **Mandating a framework** – whereby WG would specify which services need to be regionalised, but would allow authorities discretion to choose on which footprint.
3. **A framework and a footprint** – some services would be prescribed onto a footprint, and others would be listed as having to be regionalised, but the footprint would be at the discretion of councils
4. **Deliberatively regional** – whereby WG would engage in a deliberative process with local government on a service by service basis.

The White Paper proposes that Option 3 is the preferred approach. This is a more balanced approach compared to the Cabinet Secretary's original proposals as it provides some 'mandation' (as expected) around which services should be regionalised, but importantly allows some local discretion to determine the appropriate footprints for all but economic

development, transport and strategic land-use planning (much of which has evolved onto the regional 'city region' footprints through local government leadership anyway).

Bridgend's individual case is considered in the White Paper, given it is part of the Cardiff Capital City Region but is within a Local Health Board boundary which incorporates part of the Swansea Bay City Region. Although the White Paper doesn't outline clear proposals, it seeks views on Bridgend's partnership circumstances and also the wider issue for other authorities in terms of 'unpicking' existing successful collaborations.

Regional Services:

The preferred Option 3 would mean WG specifies the regional footprint for some services and lists other services that should be regionalised, but allows local discretion upon which footprint.

The White Paper outlines the following proposed services to be regionalised:

- **Economic Development, transport planning and strategic land use planning on the 3 existing WLGA regional footprint** which are broadly coterminous with the 2 economic development regions (Cardiff Capital Region, Swansea Bay City Region and North Wales Economic Ambition Board). The separate Growing Mid Wales and Swansea Bay City Region would be governed by the Central and South West regional board.
- **Education Improvement, additional learning needs, social services, public protection, promotion of the Welsh language and some back-office services, but the footprint would be subject to local discretion**
- The White Paper also **seeks views on whether other services might be regionalised, including housing, waste and community safety and youth justice.**

Regional Governance:

The Welsh Government proposes new, enhanced 'Joint Governance Committees' to oversee regional services, based on the current joint committee model but with have clearer powers and delegations.

There would be separate Joint Governance Committees depending on the footprint and/or services being delivered and would typically be made up of the lead cabinet members for the relevant service areas.

WG intends to clarify powers and delegations, including:

- **Membership** - typically be made up of the lead cabinet members for the relevant service areas
- **Delegation of functions** – prescribed set of functions that must be exercised regionally by local authorities.
- **Voting arrangements** – each local authority would have equal representation and voting powers

- **Funding flows** – WG to provide a mandatory framework how the money would flow from local authorities to Joint Governance Committees (see below)
- **Scrutiny arrangements** – WG will provide a range of options for scrutiny, including local scrutiny, regional scrutiny, regional task and finish scrutiny groups or a mixture. The White Paper proposes that there should be a duty on scrutiny ‘to consider the regional interest as well as the interests of their particular Local Authority’

WG intends to establish **an independent task and finish group**, to include WLGA and SOLACE, to help develop the statutory framework within which the ‘Joint Governance Committee’ will operate.

The Welsh Government is also **seeking views on whether a combined authority model should also be included in legislation as an option** should governance arrangements evolve towards this model.

WG also intends to **revisit the member and officer code of conducts to ensure that they reflect regional as well as local decision-making responsibilities.**

The White Paper also explores ‘**Leadership from Officers**’ in a regional dimension and considers the implications on a range of senior statutory posts. Further clarification is needed however, as the White Paper appears to suggest that councils’ statutory functions would be invested in a single regional statutory officer:

“Delivery of a regional service would be best facilitated if the statutory responsibilities for that regional service fell to a single individual, for example education responsibility would fall to a regional education director. The structure beneath the regional management will be for the Local Authorities and regional management to discuss and agree. It is envisaged that the organisational structures beneath the regional management team will adapt over time. We will examine the existing legislation in respect of statutory officers to ensure it contains appropriate provisions, so that, over-time, clarity can continue to be provided as to how a regional model would work in terms of statutory officers responsibilities.”

Regional Funding and Workforce:

WG proposes a **mandatory financial framework** is developed to ensure expenditure of regional ‘Joint Governance Committees’ is met through pooled contributions from the constituent local authorities.

The amounts to be pooled would be determined by local agreement, which is in line with WLGA’s calls for flexibility and autonomy. WG however suggests that the framework also ‘provides for a default arrangement which would be invoked where local agreement is not reached.’ The detail of this is not specified in the White Paper.

WG proposes that each ‘Joint Governance Committee’ produce a Medium Term Financial Plan and should be required broadly to balance income and expenditure in-year. Consideration will be given as to whether a limited reserves facility would be

practicable.

The White Paper flags up that the role of the Chief Financial Officer (S151) and other statutory officers needs to be further explored given potential tensions between local and regional demands. (see above).

The White Paper notes that the workforce is the most valuable asset of the public sector. It also notes that 'no single workforce model has been adopted' by local authorities. The Paper notes that the Public Services Staff Commission will no longer be a statutory body and will close in March 2018, but that workforce matters relating to regionalisation will be brought to the Workforce Partnership Council

Public Service Boards:

The White Paper notes that regionalised local government services will have implications for Public Service Boards, most of which are based on local authority boundaries but also include partners which cover broader boundaries.

PSBs already have powers to collaborate or merge, which some have already done. The White Paper suggests that other PSBs may consider this.

It should also be noted that the White Paper seeks views on amending some limitations and omissions of the Future Generations Act, which currently means PSBs can't cross an LHB boundary and also means that once merged, PSBs cannot 'de-merge'.

Voluntary Mergers:

As expected, WG will encourage and support voluntary mergers of authorities. The detail of any support available is however not included in the White Paper, but it notes that WG will need to seek new powers or amend the Local Government (Wales) Act 2015 as the timetable set out in that legislation has now lapsed.

A Framework for Local Leadership: Shared Expectations

The White Paper reiterates the Cabinet Secretary's constructive rhetoric around building mutual respect and trust between local government and the Welsh Government.

Refreshed Partnership Scheme - The White Paper commits WG to refreshing the statutory Partnership Scheme with local government. It sets out that WG is committed to reduced burdens and bureaucracy and increasing financial flexibility, how the Welsh Government should set the overarching strategy and outcomes that are expected, but that local government will have flexibility to 'operate in ways that best meet local needs'.

However, the White Paper goes further with regards seeking to ensure WG outcomes are achieved: *"Sometimes this will mean delivering outcomes in a consistent way, for example setting minimum standards. On other occasions this could mean creating consistency in governance arrangements to ensure there is transparency in decision making..."*

Power of general competence – this was welcomed by local government in the last Draft Bill. The breadth of this power (if based on the English version) may need to be considered further to allow it to be as flexible as possible, but the power should allow councils to be more innovative and lend or invest money; or setup a company or co-operative society to trade and engage in commercial activity. Use of the power is not restricted to the geographical area of the authority or for the benefit of its residents.

Local Democracy and Councillors:

- **Cabinet member Objectives** - as per the Draft Bill, leaders would have to set and report on objectives of their cabinet members (but reduced now to twice per term rather than annually as originally proposed in the Draft Bill);
- **Group leaders would have a duty to promote good standards of conduct;**
- **'Prescribed performance standards'** - Standards Committees would consider alleged breaches of 'prescribed performance duties' (these duties are not included in the White Paper, but the WLGA expressed concern previously as they were a narrow, traditional set of duties and they also did not apply consistently with expectations placed on Assembly Members).
- **Duty on LAs to produce a public engagement strategy** (with specific reference to engagement in local democratic process).
- **Broadcasting of council meetings to be made statutory and allow members to attend meetings remotely**
- **Councillor correspondence, surgeries and annual reports** – all still included, but the proposed duty to hold surgeries has been revisited although councillors must make clear how constituents can access and communicate with them.
- **Area Committees** – WG has listened to local government concerns around the originally proposed 'Community Area Committees' but instead intends reviewing the flexibilities and powers available to area committees (which councils already have the power to establish).

Performance and Governance:

- **Local Government Measure 2009** – As per Draft Bill, and as welcomed by local government, WG intends to repeal the Measure and the associated improvement and planning duties; this is becoming an increasing issue of duplication and frustration for local government as the Future Generations Act covers much of the same ground. WG has also confirmed that the Measure will no longer apply to Fire and Rescue Authorities and National Park authorities, which also makes sense, as the WLGA had queried why the Measure remained appropriate for these authorities when it was no longer deemed appropriate for local authorities.
- **Good Governance** – As per Draft Bill, councils will be expected to ensure good governance arrangements (as per CIPFA guidelines), this should be underpinned by new Corporate Governance and Audit Committees and self and peer assessment.
- **Local Government Functions** – as previously trailed, WG intends to revoke Section 13 of the Local Government Act 2000 which specifies the allocation of executive and non-executive functions, allowing councils more discretion to allocate council functions
- **Committee System** – WG is also seeking views around allowing councils the option to return to the committee system instead of leader and cabinet model of decision-making in local government. The Localism Act 2011 in England has allowed English councils to do

so, although few have. It is not clear why this proposal has been included in the White Paper, as there have not been any calls from any local authorities in Wales and the [latest WG evaluation of the Cabinet system in 2015](#) concluded that the arrangements were working well (although scrutiny could be improved) and that it provided clear accountability. It is also not clear how compatible this model would be with the proposed 'Joint Governance Committees'.

Community Councils

WG plans to commission a comprehensive review of the Community Council sector before it announces any fundamental structural reforms. However, in the meantime, WG plans to undertake action to support the sector, including:

- Producing a toolkit to support Community Councils in working through what is required in taking on new services and assets
- Re-energising ties between Community Councils and Local Authorities
- Facilitating the creation of clusters of smaller Community Councils
- Commissioning the Local Democracy and Boundary Commission for Wales to draw up guidelines for Local Authorities to secure consistency in the manner in which community reviews are conducted.
- Supporting Community Councils to raise awareness of and encourage participation in Community Council elections, and to increase diversity
- Making the General Power of Competence available to community councils which meet certain requirements;
- Placing a duty on Community Councils to consider and plan for their training needs, and
- Ensure citizens are kept informed and have the right to make representations on any business conducted at a Council meeting

Elections and Voting

Under the Wales Bill, the National Assembly would gain competence over local and National Assembly electoral arrangements. The White Paper suggests that proposals the Welsh Government would consider are;

- a review of postal voting procedures and the use of all-postal elections, electronic voting,
- electronic counting of votes,
- voting at places other than polling stations, and proposals to hold elections on different days.
- Proposals will be brought forward to remove entitlement to personal fees for returning officers.
- How a single electronic register for Wales might be developed. This would include looking at issues such as; data sharing, automatic voter registration, and greater access to register information by Local Authority staff.

The White Paper reiterates the Cabinet Secretary's previous commitment **move local elections to a five-year term.**

Other proposals include:

- **Requiring candidates to make clear whether they were or are members of a registered political party**, whether they were formally selected to stand for that party or not.
- **All candidates would also be required to publish election statements to a central website** to allow voters easily to access information on the manifestos of all candidates.
- **prevent Assembly Members from also serving as Councillors concurrently.**
- **Votes for 16 year olds**
- **Proposals to allow local authorities to choose their own voting system (first past the post or Single Transferable Vote (STV)).** Any council that decided to introduce a new voting system would have to keep it for the next two ordinary elections - The WLGA does not have a position on proportional representation as it has not been considered as a Welsh government policy since 2003 (following the publication of the Sunderland Commission) and will be seeking member councils' views. Plaid Cymru, the Liberal Democrats and UKIP all included STV for local elections in their 2016 Assembly manifestos. It is likely therefore that views on this proposal will vary from political party, and councils and councillors may express different views. STV has been used in Scottish local elections in 2008 and 2012 (see the [Electoral Reform Society report](#) into the 2012 election). Whilst the White Paper argues that STV has some merit, there are a number of implications to consider including confusion of the public with different electoral approaches in different areas, different electoral systems for community council (which would remain first past the post) and local authority elections being held on the same day which would increase confusion and create complication and burden for electoral administrative staff, and the general impact on a more complex and resource-intensive electoral system on elections staff. Other than councils needing to retain a changed voting system for the next two ordinary elections, the White Paper is silent on councils' decision-making process on such matters, and whether a local referendum should be held (as per the national referendum on the Alternative Vote in 2011) or whether a two-thirds majority should be needed vote in council (as per the super-majority provisions on the Assembly should it vote for change to its own electoral arrangements, as per S8 of the Wales Bill).

For further information:

Contact Daniel Hurford – daniel.hurford@wlga.gov.uk or 029 20468615

Procedures for processing Notices of Motion and Petitions presented to Council

March 2016

Motions

1. Any member of the Council can submit a motion to be considered by full Council by giving written notice of the motion, delivered to the Head of Democratic Services, no later than midnight on the seventh working day before the Council meeting.
2. Submitted motions must be about matters for which the Council has responsibility or which affect the wellbeing of the administrative area.
3. Any motions agreed by Full Council, including any amendments made to the motion at the meeting, will be recorded by the Head of Democratic Services on the form overleaf and stored within the Members Area on The Hub for future reference.
4. The Head of Democratic Services will forward the proforma to the responsible officer and ensure that the form is updated as a log of the actions taken as a result of the motion that has been agreed.

Petitions

1. At a meeting of the full Council, any member may present a petition which is relevant to some matter in relation to which the Council or Cabinet have functions or which affects the area, or part area, of the Council. It is up to the member presenting the petition to satisfy themselves that the petition is proper to be received.
2. The member must give notice to the Chief Executive prior to the meeting at which the petition is to be presented and shall be presented in the order that notice is received.
3. The presentation shall be limited to not more than three minutes, and shall be confined to reading out, or summarising, the prayer of the petition, indicating the number and description of the signatories.
4. Any petitions submitted to a meeting of the Full Council shall be given to the Head of Democratic Services. They will ensure that the petition is delivered to the responsible officer within the authority to respond to the petition.
5. In addition, the Head of Democratic Services will ensure that the proforma overleaf is completed and stored on The Hub within the members area. The proforma will be forwarded to the relevant officer to record the actions taken as a result of receiving the petition for members to refer back to follow up if required.

Notices of Motion – Action Sheet

Date of Council Meeting	
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Councillor Submitting Motion	
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Motion

Responsible Officer	
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Date sent to Officer	
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Action taken by officer as result of motion

Petitions Log – Action Sheet

Date of Council Meeting	
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Councillor Presenting Petition	
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Presented on behalf of	
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Details of Petition

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Responsible Officer	
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Date sent to Officer	
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Action taken by officer in response to petition
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