

<b>SUBJECT:</b>	<b>Draft Local Government (Wales) Bill</b>
<b>MEETING:</b>	<b>Standards Committee</b>
<b>DATE:</b>	<b>14<sup>th</sup> March 2016</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>All</b>

- PURPOSE:** To update Standards Committee members on relevant changes proposed in the Local Government (Wales) Bill.
- RECOMMENDATIONS:** To note the contents of the report and the potential consequences of the Bill becoming law.
- KEY ISSUES:** The Bill's main aim is proposed local government reorganisation and outlines the establishment of the new counties by the merger of existing counties and county boroughs; and a new and reformed legislative framework for local government democracy, accountability, performance and finance.

Part 1 of the Bill contains provisions for the reorganisation of county and county borough councils in Wales into 8 or 9 authorities as per the Ministers' map and the establishment of new counties and councils from 1 April 2020.

Part 2 of the draft Bill introduces a general power of competence for county councils and town and community councils with a general power of competence setting out the boundaries of the power and degree to which it may be used for commercial purposes. The general power of competence gives councils the same power to act that an individual generally has. It is a power of first resort which means that an authority does not need to rely on specific powers in legislation to do something, so long as what they intend to do is not otherwise illegal. The power is already in place for English councils.

Part 3 of places a duty on councils to promote access to, and public participation in, local government. This duty also means that councils have to promote access to and public participation in 'connected authorities' including community councils, fire and rescue authorities and national park authorities. In exercising this duty, councils have to produce a statutory public participation strategy (which also covers the connected authorities). Councils must also take 'reasonable steps' to consult the public over budget proposals. In fairness, councils already do this.

This part of the Bill also requires the establishment by county councils of community area committees (CACs). The 'community area' will be defined by the Public Service Board (as per S37(5) of the Wellbeing and Future Generations Act). Membership of the CAC would include: all ward members within the area; representative of each community council in the area; representatives from other bodies exercising functions of a public nature and representatives from third sector bodies. CACs must prepare (and consult on) a statement of priorities and objectives annually. Councils may delegate functions to CACs. Ministers may also direct or restrict the delegation of functions to CACs.

Part 3 also places county councils under duties in respect of 'improvement requests', which require a county council to enter into discussions with certain community bodies for the purpose of improving local outcomes. Any community group or community council can make written 'improvement requests' to the council over how it believes outcomes could be improved. This would appear to include proposals for services to be delegated and delivered by or with the community group or community council. Unless there are 'reasonable grounds to refuse' or a similar request has been previously considered, the council has a duty to decide to agree to an improvement request, inform the interested body and report publically and produce an annual report of improvement requests. A complaints process relating to improvement requests must also be set-up.

Part 4 is of particular interest to the Standards Committee as it sets out performance duties for councillors which include the requirement unless there is 'a good reason' to:

- Attend at all committee/council meetings of which the councillor is a member
- Hold 4 surgeries each year
- Respond to correspondence within 14 days
- Undertake training deemed mandatory by the council
- Publish an annual report

Councillors can be reported for a breach of any of the above which would be deemed equivalent to a breach of the code of conduct for members and similar sanctions including suspension could be applied by the Standards Committee.

Duties will be placed on Group Leaders to take 'reasonable steps to promote and maintain high conduct of standards by members of the group'. The Leader will be required to set objectives for the executive, and requires candidates who wish to stand as executive leader to prepare a written manifesto. It also enables the appointment of members as assistants to the executive.

Part 4 also requires councils to replace the term and role of 'head of paid service' with that of 'chief executive'. Council leaders must also set and review objectives for the chief executive. The Leader must prepare and publish a report on the above, and share it with all members.

There is a proposal to allow voting rights for co-opted members of overview and scrutiny committees, such rights would be determined by councils. It also requires standards committees to prepare annual reports on the exercise of their functions and other matters.

Part 5 sets out arrangements for a new regime to improve the governance of county councils. It places a general duty on county councils to 'make, implement and comply with governance arrangements for the purpose of securing good governance; accountability; and economy, efficiency and effectiveness in the use of resources'

Part 6 deals with the proposed changes to town and community councils but these changes will not become effective if the Bill becomes law until 2020.

Part 7 deals with the establishment of a statutory Public Services Staff Commission. The Welsh Ministers may produce guidance on workforce matters which public bodies would have to have regard to. Such guidance could include:

- 'planning by public bodies in relation to the size and composition of their workforce;
- recruitment and retention of staff of public bodies;
- The management, organisation and remuneration of staff of public bodies;
- Training and development of staff of public bodies'

Part 8 contains general provisions, interpretation and commencement.

**4. REASONS:** Depending on the outcome of the forthcoming Welsh Assembly elections, the Bill may become law and some or all of the proposed changes contained in the Bill will become effective.

**5. RESOURCE IMPLICATIONS:** None in the immediate future but there will be substantial costs if local government reorganisation becomes a reality.

**6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

None

**7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS**

NONE

**8. CONSULTEES:**

None

**9. BACKGROUND PAPERS:**

Draft Local Government (Wales) Bill

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