

Monmouthshire Select Committee Minutes

Meeting of Public Services Select Committee held at Remote Meeting on Thursday, 19th November, 2020 at 2.00 pm

Councillors Present

County Councillor T.Thomas, (Chairman)

County Councillors: D. Batrouni, S. Howarth, R.Roden, J.Treharne, P.A. Fox, A. Webb substituting for L. Dymock

Also in attendance County Councillors: M. Powell, M.Groucutt, R. Harris, R. Edwards, B. Strong, A.Davies, D. Evans, L.Brown, S. Woodhouse, P. Jordan, P. Murphy, R.J.W. Greenland and J.Pratt

Officers in Attendance

Frances O'Brien, Chief Officer, Enterprise
Matthew Gatehouse, Head of Policy and Governance

Sharran Lloyd, LSB Development Manager
Judith Langdon, Communities and Partnership Development Lead

Hazel Ilett, Scrutiny Manager
Robert McGowan, Scrutiny Officer

APOLOGIES: County Councillors L.Dymock, M. Lane, P. Jones, A. Easson and P.Pavia

1. To elect a Chair.

Councillor Tudor Thomas was nominated by Councillor Batrouni and seconded by Councillor Treharne.

2. Declarations of Interest.

There were no declarations of interest.

3. Public Open Forum.

No members of the public were present.

4. Regional Working: Corporate Joint Committee Consultation.

Chief Executive Paul Matthews gave a short introduction. Frances O'Brien and Matthew Gatehouse presented the report, and delivered a presentation. Matthew Gatehouse and Paul Matthews answered the councillors' questions.

Challenge:

CJCs can determine their own budgets, voting procedure, scrutiny process; they can tell councils what they want for their own functions; they are legally indemnified – so councils would have to pick up the tab if someone sued them; they can ask for extra powers; they have already determined their membership, future membership and that of the subcommittees. Are these statements correct?

Yes. There is a huge amount of flexibility and powers vested within the CJC itself. This CJC is established with 10 representatives who are locally elected – so it is made up of the 10 local

authority leaders. In terms of those decisions, they have to be made by the CJC. This is one of the reasons for the higher quorum, ensuring that decisions can't be made based on a small number of attendees. For example, the matter of finances: we have had the Cardiff Capital Region for 4 years, in which we have put money to operate – this is similar to how the CJC will operate. The council will make funding available to meet the CJC's needs; it will then make decisions within that budgetary framework. Yes, the CJC appoints its own committees. It has to set up a scrutiny committee. It doesn't take away the fact that the leader, as representative, would be accountable back to council, and that the CJC can be scrutinised by the individual local authorities.

Realistically, who is going to raise concerns against their own leader – of any political group – if that leader can use their own political powers to ensure they don't ask awkward questions? The structure seems to cut off the opposition from any of the councils.

These bodies do carry many delegated powers that are passed to them because of these regulations and what will follow. In terms of the powers that are vested in the CJC to carry out these functions, it is accurate to say that yes, they carry a lot of powers, and the leaders are not required to come back to their councils on individual decisions. They are operating under delegated powers.

In terms of being held to account, do the leaders have to do an annual report to their councils or anything like that?

Yes, they will have to do an annual report. They are bound by the same responsibility as in principal councils i.e. this council receives a report every October on the objectives. The CJC will be subject to the same provisions in terms of arrangements for performance and finance as other councils.

These concerns are good responses to this consultation. The leader of a council takes with them to the CJC the powers that the council's constitution chooses to give to them. There is therefore a conversation to be had at council level about what the constitution affords. It has yet to be determined what the scrutiny will consist of. As an example, we chose with the Educational Achievement Service that we wouldn't go for a greater Gwent scrutiny committee; the sovereign councils decided that they would scrutinise that function themselves – we continue to do this through our CYP committee. We have the opportunity in the council's consultation response to highlight these concerns and stress the areas that we think are very important – the concentration of power is likely to be one of the most prominent.

It seems that this is going to go forward anyway, and all we can do is respond to it. Can the process be clarified as to how we have arrived at this point?

The Local Government and Elections Bill was approved by the Senedd yesterday. As a piece of legislation, it is on its way for Royal assent (likely to be granted in the New Year.) CJC's are just one chapter in the bill. You are being asked to comment or contribute to the regulations, rather than the legislation, that will underpin how CJC's work. Wales Government has committed that those regulations will be coproduced with local government – that is the conversation that you and the council are being invited to. Those regulations will be laid early in the New Year. So, yes, you are not impacting the legislation. But the council has provided 2 consultation responses to the legislation – during this, we as a council were agreed in not being keen on CJC's, for the reasons we are hearing today. As a council, we have offered our views. Wales

Government has considered them, and decided that CJs are going forward, but are ceding some ground to us to decide how they will work.

Regarding constitutional power, does that mean that if we would like our representative to do things in a different way, would we re-write something in our own constitution? Does the CJC not have its own constitution?

These draft regulations will set out the fact that CJs can evolve differently in different areas (e.g. north and mid Wales.) Thinking about our starting point, with the Cardiff Capital Region in place, it will be very different from the growth deal that is in place in north Wales. Within the consultation, those sorts of flexibilities can be commented on. So there is quite a bit that is still to be decided and to be negotiated between individual councils and the CJC.

Does having a Regional Transport plan mean that SWTRA will no longer exist?

The CJC will take on the strategic transport function. That doesn't mean that it will end up dealing with every operational detail. The powers within these draft regulations give us the ability to run things concurrently. We might decide that there are certain functions that we will continue to operate locally. These are conversations yet to be had. SWTRA itself is almost certainly going to be untouched for a few years. At the point when the council first responded to the consultation on the bill, the draft legislation was written in such a way that the minister would be able to establish CJs for whatever he/she wanted, whenever he/she wanted. Only councils themselves can decide what areas are added. As a reminder: CJs are charged with overseeing the development of a strategic development plan for SE Wales – they are not charged with taking forward the development of Monmouthshire's local development plan. They will not therefore enter the territory of what the planning committee covers on a daily and weekly basis, but they will take forward a more strategic perspective on SE Wales. Through the Cardiff Capital Region, we already have a Regional Transport Authority, on which Councillor Pratt represents us. The CJC has 3 foci, from which they can't drift.

How will the CJC be funded? What are the views regarding the distribution of the shared prosperity fund? How do you think the public will respond to the funding aspects?

Discussions about the distribution of EU funds are in their infancy. They are not part of the CJC regulations. But it's likely that it will play a strong part in how those EU prosperity funds are managed. One could foresee a situation where CJs give much more leverage to the local government family because the City and Growth deals are very much a creature of Westminster, rather than Welsh Government. It's not always about hierarchy, but about interplay between the agencies. As with other regional arrangements, the CJC will come to this council with its budget requirements. That has to be funded by this council, in the same way we currently fund the City Deal and the Educational Achievement Service. These actually try to leverage in greater funding to our area – by operating at scale, these things should give us greater economic clout and enable us to procure more funding and investment into the region.

How will this extra tier of government be presented to the public during the current financial and health issues, and how do you think they will respond?

In terms of messaging and the public reception, CJs are being legislated and created by Welsh Government. As a council, we have expressed concerns about them in our consultations. They are a policy of Welsh Government.

The Capital City Deal has entirely neglected Monmouth in improving/installing a public transport service. What guarantees are there that the CJC will correct this? As we will fund this, will we receive extra funds from Welsh Government to help?

At this time, I don't think we can give assurances that the CJC will result in funds or priorities changing in any local area. It would probably aspire to create a link from local accountability through to council and regional, to be able to capitalise on some of those opportunities and visions that exist on the national and international stage. Ideally, by acting at scale it's able to leverage in more funding to operate at greater economies of scale – this is generally the theory when moving to regionalisation on certain things, transport potentially being one of them.

Central government will place £400m with Welsh Government. Will that money be properly distributed to the 4 bodies in Wales?

CJCs weren't designed as part of Welsh Government's legislation to be vehicles for shared prosperity funding. What Welsh Government wants to see is that the successor funding streams now that we're out of Europe come directly from UK government to Wales government, so the latter can largely determine how they are spent. It's probable that the City Deal will morph into this one, so that we will continue to have one entity, covering the same ground. We put in around £100k per year to part-fund the Cardiff Capital Region City deal, so we're already making a significant financial contribution to regional working. Wales Government and UK Government have very different ambitions for how successor funding streams are going to be managed. I foresee more UK money flowing through the CJCs than Wales Government might wish. If that were to happen, we would want to exert some influence as to how it was spent. Though this council rejected the idea of CJCs in the consultation, as they are happening anyway now it would be best for us to be involved and try to influence it.

In addition to concerns about accountability and democracy, scrutiny is a concern as it has left a lot to be desired in the City Deal process.

These are good points, which can be incorporated into the response. We are aware of the City Deal scrutiny concerns – these have been fed in and can be used to inform scrutiny of the CJC once it is set up. Also, although the CJC will have delegated powers, the Leader can still be held to account for the decisions through any scrutiny arrangements through this council. If we think about the changes we made to this committee last year, it was to broaden its remit from the Public Service Board select committee to Public Services, to look at all the different collaborative arrangements that this council is engaged in.

It seems there is a disparity in democratic accountability: a lot of the bill is about making local councils more accountable in terms of petitions etc., then there are CJCs being set up which are at the opposite end of the scale. There are also aspects of the bill that favour public consultation, then things like this that don't.

Yes, the CJCs are one small part of the Local Government and Elections bill. We are focussing on the 'establishment' regulations for CJCs. There will be a second set of regulations around general application. The Local Government and Elections bill has huge provisions in terms of opening up, and making democracy more accessible and accountable. Probably the biggest single thing in that bill is enfranchising 16 and 17 year olds. The requirement to have petitions schemes being another one. I can understand that it then feels like power is being put into the hands of a smaller number of representatives within CJCs. This council has commented on that previously. The WLGA, our representative body, while saying it is broadly supportive and willing

to work with councils on CJs, opposes the way that it has come about through mandation. If we think of CJs as another vehicle through which councils can collaborate and pool budgets, then many will argue that there are advantages to that.

Why can't funding come centrally, from either Welsh or UK government? There is concern about the council contributing to the fund but then having very little say over it.

Why they haven't been funded is something else that can be incorporated into the response. Ultimately, that is a matter for Welsh Government but if they were to fund it from Welsh Government budgets that would result in less Welsh Government budget elsewhere and probably that would mean less going into local authorities. If it weren't for the CJC determining its own budget then Welsh Government would 'top slice' it.

Regarding the strategic development plan, will the LDP's local consultation be overridden by a very small number of people making decisions at a regional level? What contribution will this council make to this body as well as to the Cardiff City Region deal?

Again, we imagine that the City Deal will morph into the CJC. It already has a Chief Executive and a number of staff, so the transition of that into a CJC will be a lesser commitment than setting these CJs up from scratch.

To what extent could Monmouthshire exercise its own independent functions? For example, could we still have our own economic development function, as we currently have in the Enterprise directorate, or would the entire function be transferred to a regional arrangement?

Yes, within the regulations, we could retain parts of that function. So, the CJC will assume responsibility for the strategic economic development and local growth function but if MCC wanted to retain some functions locally, the regulations would permit for that to be developed between the CJC and MCC. There could be concurrent operations, with part of that function being delivered within the local authority and the strategic responsibility sitting with the CJC. There is quite a bit of room and discretion within these regulations for negotiation between the CJC and the local authority. Welsh Government is mandating the principle and framework, but with some of those individual functions there is a lot still to be determined.

Chair's Summary:

The CJC will cover strategic development planning but we will still have our local development plan. Regional transport: this is welcomed. The only functions that will move into this are those that will benefit from sitting in a regional arrangement. It was explained that the purpose of today was not to discuss whether we would have CJs, but to submit our consultation response, and for the Select committee to shape it. Some of the key points considered were around this being seen as a creature of local government, subject to the same powers and duties, and that the CJs could evolve differently in different areas. Also, that it will be run by the 10 leaders with delegated powers – they don't need to get permissions from councils, but would be subject to scrutiny. We spoke of creating subcommittees and additional co-opted members. We said that the budget for the CJC would be met by constituent councils. Timescale: it receives royal assent next year and has to hold a first meeting by September next year. We also spoke about resources and statutory roles. We were reassured that we are already ahead of the game in terms of staffing because our Cardiff Capital Region director Kelly will become the leader of the CJC.

Questions from the committee: Councillor Batrouni focussed on democratic concerns around the power of leaders, and accountability. We also heard concerns about the CJC determining its

own budget, governance arrangements, and scrutiny, and that this would be paid for by local authorities. Councillor Howarth asked for clarity on how we got to this position and timescales going forward. Clarity was given that the legislation passed; our contribution today is towards the regulations that underpin it. Councillor Powell asked about transfer of responsibilities, who is responsible in the interim, and the erosion of local authority powers. Councillor Roden sought clarification around shared prosperity funding and the distribution of funding: it is unclear at the moment but it could offer greater flexibility to CJs around how monies are spent. Councillor Treharne voiced concerns about the impact of City Deal so far, and the extent to which CJC might have a greater impact, extending their reach through collaborative delivery. He spoke of some areas being left behind. Councillor Howarth raised a point about CJs delivering structural monies: it was reiterated that CJs weren't designed to be the deliverers of monies, and that Welsh Government and Central Government perhaps have different ideas about how they will be spent. We fed into the initial consultation and we didn't see the value of CJs but they are happening anyway: the role now is to see how best we can influence this. Councillor Batrouni also raised concerns about democratic mandate.

Questions from other members: Councillor Davies raised concerns about scrutiny and accountability, as did Councillor Brown. She also wanted clarity about the interfaces between CJs and other bodies. The Leader spoke to reassure us that the 10 leaders were largely opposed to CJs initially, as we were already operating in this way, but that that this could be an alternative to reorganisation. He explained that what we most opposed was the imposition of CJs, taking power from the people through mandation. He explained that there had been very little communication from Welsh Government to local authorities, and the tone of how we should operate is what hadn't been so welcome. But, the minister sees our region as a good example of how we can operate effectively and now it is a case of how best to influence them. The Leader noted that it would be interesting to see if the CJC has additional powers over the Cardiff Capital Region on such things as the metro, and explained the position around the metro at the moment, that funding is allocated directly for those projects. He also confirmed that the Cardiff Capital Region board will morph into the CJC with very little disruption, and reassured members that this council has been committed to regional working for many years. Councillor Pratt explained that she was initially sceptical but that there are lots of positives for us, in terms of funding and regional working, and that this could be a good opportunity to seek funding for projects and obtain quicker decision-making, particularly around transport and infrastructure. He noted that MCC currently contributes 6% of total local government funding of the City deal, compared to Cardiff's 23%, but there is still one vote, one council – so Monmouthshire does quite well in these areas. He suggested that CJs would likely be the recipients of the Shared Prosperity Fund, which is essentially replacement EU funding. Councillor Harris said that the Leader's comments had reassured him, and that this is not likely to radically change existing working arrangements. He had some concerns about democratic mandate but let's try to embrace this positively. Councillor Jordan asked about the extent to which we could retain some of our functions, and he was reassured that there is some flexibility for that within the arrangements.

5. Tackling Poverty through Partnerships.

Judith Langdon presented the report, delivered a presentation and answered the councillors' questions, with additional comments from Matthew Gatehouse and Sharran Lloyd.

Challenge:

Are the Poverty Action Group and the Poverty Steering Group different?

This was a typo: it is the Tackling Poverty Steering Group.

Inequality is a huge piece of work in its own right. Should we not pin it down, for practical reasons?

Primarily, we are talking about income inequality. In terms of near future actions, we are looking to set up an action-focussed working group around that theme specifically. We don't want to pre-judge what that wider group comes out with. Today was about discussing working in partnership, and I want to tap into that wider partnership view.

The PSB is meant to tackle poverty – why should we ask them to do something they should already be doing?

The appropriate level of member involvement in the Poverty Network Group was debated for the first meeting. The decision taken at that point was to go with the Social Justice Advisory Group members. It is a very fluid group, evolving and dynamic, open to anyone with a passionate interest in that topic. I don't wish to give the impression that the PSB's members are not doing anything to address poverty. A parallel with our own organisation might be helpful: if we were to go back two years, there is a huge amount of activity within our own organisation, the effect of which is to reduce poverty, address its causes and effects, but which is not necessarily being drawn under that banner. The same is perhaps true, to some extent, of the PSB, in that there is no shortage of activity but with this piece we are hoping to put some flesh on the bones of that aspiration. Hopefully, by providing a greater degree of coordination across those groups, it can become more than a sum of its parts.

Can we, as a Select Committee, ask the Partners to feed back to us every 6 or 12 months on the progress they've made towards tackling poverty, what steps they've been taking, etc.?

Typically, when a topic is the subject of partnership activity, it is in the spirit of partnership working to report on that as a partnership. Within that, yes, there would be specific actions that could be attributed to individual partners to see the contribution they have made towards that. We would be very happy to continue to report on that. This committee – in its previous form as the PSB Committee – has brought in partners from Aneurin Bevan Health Board, Natural Resources Wales, etc., to be held accountable for their contributions to PSB commitments, and that would be true for this Public Services Committee as well. We are also looking at this through the lens of where other regional structures play a role in this, that are not necessarily coordinated by MCC, and the impacts of how that work at a regional level plays out in our localities. That work will become more crucial as we move forward.

The pandemic will mean many people are now in poverty, who weren't before. Has this been seen yet, or is it still yet to happen?

There is a sense among the partners that it is starting to come through now, in terms of increased universal credit claims and Citizens Advice handling an increased number of employment-related issues. So it is starting to come through but not yet in the form of a tidal wave that we have feared. But that's not to say it won't come. So far, one of the more reassuring things has been that for the most part, the systems that are in place to pick people up are working. For instance, there has been recent data about food bank use: it has shown an

increase in Monmouthshire, but not a huge one. The general feeling is that people are finding their way to the services to support them (this is largely anecdotal, as there is always a lag between anecdotes and data.) That will continue to be a key focus: that many people will be facing these challenges for the first time, and we need to get them to the right support at the earliest possible opportunity. For example, a piece of work through the Steering Group has been to create a new resource on our website that aggregates into a single place all the different sources of support that someone might need.

Chair's Summary:

The point about defining inequality and poverty is an important one. We heard the question about having feedback from the partner organisations – we welcome that. There is bound to have been an increase during this time: there have certainly been those who have lost their jobs and not been able to furlough. We have a huge responsibility now to take this forward, and do meaningful work.

6. To confirm the Minutes of the previous meeting held on 27th July 2020.

The minutes were confirmed and signed as an accurate record (Councillor Roden abstained as he was not present.)

7. Date and time of next meeting: To be confirmed.

The meeting ended at **4.28 pm**