

Report To: Democratic Services Committee

Date of Meeting: 13th March 2015

Lead Member / Officer: Head of Legal, HR and Democratic Services

Report Author: Head of Legal, HR and Democratic Services

Title: Welsh Government White Paper - Reforming Local Government: Power to Local People

1. What is the report about?

1.1 The report is about the Welsh Government's white paper entitled Reforming Local Government: Power to Local People ("the Paper").

2. What is the reason for making this report?

2.1 The Paper is the subject of consultation until 28th April. The purpose of the report is to ascertain the views of the Committee on the proposals contained within the Paper in order that they may be taken into account when the Council considers its response to the consultation. The Committee's views are particularly sought in respect of the elements of the Paper that relate directly to members and the democratic structures of the authority.

3. What are the Recommendations?

3.1 That the Committee considers the content of the Paper and comments on those matters that are the subject of consultation.

4. Report details.

4.1 The Paper was published on 3rd February 2015 by the Minister for Public Services. The Paper was published in three versions, the Full Version, the Everyday (summary) version and the Young People version. The Full version is attached as Appendix 1 to this report. The other two versions can be accessed via the following link <http://gov.wales/consultations/localgovernment/power-to-local-people>

4.2 The White Paper is extensive and includes a number of clear policy proposals, a reiteration of previous policy commitments (such as mergers, links to Future Generations Bill etc.) but also includes a number of open ended questions seeking views on policy options.

4.3 Some of the proposals and policy options are complex but the White Paper offers limited detail around how proposals would be implemented.

- 4.4 There are nine main chapters contained within the Paper and is accompanied by a consultation survey, a copy of which is attached as Appendix 2 to this report. The Committee is asked to consider in particular the chapter entitled "Renewing Democracy" as this is the chapter dealing mainly with issues that are within the Committee's area of responsibility.
- 4.5 The Paper sets out proposals for changes to the way in which local government elections are held. The Government suggests that fixed five year terms on a cycle designed not to conflict with Assembly and Westminster elections would avoid elections to different bodies being held at the same time. Consideration is also given in the Paper to the possibility of phasing elections to councils in a similar way to that used elsewhere in the United Kingdom. The Paper gives the example of half of the membership of an authority being elected in one year and the other half in the following year. Arguments for and against this method of conducting elections are set out in section 3.2 of the Paper. The Government suggests in the Paper that in order to achieve greater transparency about councillors' political affiliations, candidates should be required to record their membership of a political party on their nomination form whether or not they are standing on behalf of that party. The Paper seeks views on this issue.
- 4.6 This chapter also sets out the Government's proposals for clarifying the roles and responsibilities of the Leader, Cabinet Members, Elected Members and the Chief Executive of a local authority. Section 3.3 of the Paper deals with the role of Leader. Where a candidate is standing for Leader, the Government proposes that they should publish a written manifesto and present it orally to the Council before the election of Leader takes place. The Leader should then present an annual statement setting out the issues faced by the Council and the steps the Leader has personally taken to eradicate poor performance or to take action where it has happened.
- 4.7 The Paper proposes that the Leader should be required by law to set objectives for Cabinet Members, to hold them to account each year for progress against them, and to publish those documents. The Leader should also set objectives for the Chief Executive, assess the Chief Executive's performance each year and report it to Council. Leaders will also be required to have due regard to equality and diversity when selecting Cabinet Members. Where they are unable to select a Cabinet balanced on diversity and equality grounds they should give serious consideration to co-opting additional non-voting Cabinet Members as advisors.
- 4.8 Section 3.4 deals with the roles of Cabinet Members. The Government suggests that while the number of senior managers has been reducing there has not been a reduction in the size of Cabinets in most Councils. The Paper proposes that apart from the Leader, and Cabinet Members who are responsible for Education and Social Services, not all Cabinet posts should be seen as full time. It suggests that other Cabinet posts would not attract the same level of salary.

- 4.9 Section 3.5 deals with the role of Elected Members. The Government intends to clarify the expectations of an Elected Member. They should all be available to the public via e-mail and social media. Training for members would be compulsory in certain areas examples of which are set out in the Paper. The Government suggests that Elected Members should be required to publish Annual Reports and that these should demonstrate what they have achieved over the year and how communities are better off as a result.
- 4.10 The Paper suggests that Standards Committees should have the power to consider cases where there are serious concerns that an Elected Member is failing to fulfil their duties satisfactorily, i.e. not just cases of misconduct.
- 4.11 Section 3.6 deals with diversity among Elected Members. As with Cabinets, the Government suggests that where committees cannot achieve a balance they should make a decisive effort to co-opt additional members to achieve a diversity that more closely reflects the community. The Paper suggests that in order to promote diversity, public bodies should be required, and private employers encouraged, to release employees for a minimum number of unpaid days each year in order to fulfil roles as Elected Members.
- 4.12 Section 3.7 deals with Elected Member Remuneration. The Government suggests that remuneration in Wales needs to be more in line with the amounts paid in similar sized authorities elsewhere in the United Kingdom.
- 4.13 In section 3.9 it is proposed that the number of Elected Members should be reduced, not just by merger, but in order to achieve ratios of representation closer to those of England and Scotland. Views are also sought on a proposal that Elected Members could only serve for five terms and that Leaders and Cabinet Members could only serve in those capacities for no more than two terms. Section 3.11 welcomes views on whether Elected Members should be subject to recall if for example they have been sanctioned for a breach of the Code of Conduct or for not performing their role effectively.
- 4.14 In section 3.12 the Government seeks views on whether Elected Members in Local Government should be disqualified from serving as an Assembly Member at the same time, and whether they should also be disqualified from serving on Community Councils at the same time. Views are also sought on whether employees of a Council should be able to stand for election to that Council, only being required to resign their post if they are elected.
- 4.15 Section 3.13 deals with the role of the Chief Executive. It suggests that there should be five specific duties for this role and that the Chief Executive must also be the Head of Paid Service. It is also suggested that there should either be a set limit on the length of the appointment of a Chief Executive or a term period after which there would be a review before reappointment.
- 4.16 The Paper also suggests ways in which the cost of senior management is controlled in Wales by requiring Councils to consult with the Independent Remuneration Panel before varying the salaries of chief officers. The Paper

also seeks views on whether to have a Public Sector Appointments Commission. This Commission would either manage all senior appointments to Local Government positions, or alternatively test the competence of potential candidates with only approved candidates capable of being appointed to senior roles.

5. How does the decision contribute to the Corporate Priorities?

5.1 The decision does not impact directly on corporate priorities.

6. What will it cost and how will it affect other services?

6.1 Responding to the consultation will not incur any additional costs.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.

7.1 There is no requirement for an assessment.

8. What consultations have been carried out with Scrutiny and others?

8.1 The Paper has been discussed by the Chairs and Vice Chairs of scrutiny, in particular with regard to Chapter 8 which deals with scrutiny issues. The paper will be the subject of a report to Full Council.

9. Chief Finance Officer Statement

9.1 There are no additional costs involved in responding to the consultation. Any proposals emerging thereafter through either legislation or government guidance would need to be considered individually to assess the cost and organisational implications.

10. What risks are there and is there anything we can do to reduce them?

10.1 The risks of not responding to the consultation is that the Council's view will not be taken into account when Government considers the legislation that will be enacted in respect of the proposals contained within the Paper.

11. Power to make the Decision

11.1 S111 Local Government Act 1972