

Report to: Democratic Services Committee

Date of Meeting: 20 October 2017

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Title: Future Scrutiny of the Public Services Board

1. What is the report about?

The statutory requirements relating to local authority scrutiny of the Public Service Board (PSB) and how to potentially develop those arrangements in future.

2. What is the reason for making this report?

To facilitate the Committee's discussion of present and potential future scrutiny arrangements in line with the Committee's remit to review and support the Scrutiny function. A version of this report is being considered by the Scrutiny Chairs and Vice-Chairs Group (SCVCG) on the 12 October. The SCVCG's views will be reported verbally to today's meeting.

3. What are the Recommendations?

That the Committee discusses current and potential future scrutiny arrangements for the Public Services Board in light of the PSB's views and those of the Scrutiny Chairs and Vice Chairs Group.

4. Report details

Background

4.1 Section 35 of the Well-being of Future Generations (Wales) Act 2015 requires that a local government scrutiny committee is designated to scrutinise the work of the Public Services Board for that area. The intention is to place responsibility for challenge and accountability locally rather than on Welsh ministers.

4.2 The Act says that:

Each Local Authority must ensure its overview and scrutiny committee has the power to:

- a) Review or scrutinise the decisions made or actions taken by the public services board;*
- b) Review or scrutinise the board's governance arrangements;*
- c) Make reports or recommendations to the board regarding its functions or governance arrangements;*

- d) Consider matters relating to the board as the Welsh Ministers may refer to it and report to the Welsh Ministers accordingly; and
- e) Carry out other functions in relation to the board that are imposed on it by the Act.

4.3 Specifically, scrutiny is expected to:

- Formally receive the Wellbeing Assessment and Wellbeing Plan from the Public Services Board
- Act as a statutory consultee for the Wellbeing Assessment and Wellbeing Plan
- Review the Wellbeing Plan if directed to by the Welsh Minister (who has the power of referral but not approval)

4.4 In early 2016 the Welsh Government (WG) published guidance on the Well-being of Future Generations (Wales) Act 2015, the Act that established PSBs. In terms of the scrutiny arrangements for the PSBs the guidance states:

“In order to assure democratic accountability there is a requirement for a designated local government scrutiny committee of the relevant local authority to scrutinise the work of the public services board. It will be for each local authority to determine its own scrutiny arrangements for the public services board of which it is a member. For example, existing legislative powers can be used to put in place joint arrangements, such as ‘co-opting’ persons who are not members of the authority to sit on the committee, and where appropriate to appoint joint committees across more than one local authority area.

While it will continue to be entirely legitimate for a subject scrutiny committee (such as a children and young people’s scrutiny committee) to scrutinise the public services board’s work in relation to a specific issue, it is important that one committee takes an overview of the overall effectiveness of the board. This is the reason one committee must be designated to undertake this work.”¹

Present arrangements

4.5 In accordance with legislation both Conwy and Denbighshire authorities have selected a scrutiny committee as their PSB scrutiny committee. During the term of the previous councils both counties had designated their Partnerships Scrutiny Committees as their PSB scrutiny committee.

4.6 Whilst Partnerships Scrutiny Committee remains Denbighshire’s designated committee for scrutiny of the PSB, Conwy County Borough Council following a review of its scrutiny committees has disbanded its Partnerships Overview and Scrutiny Committee and consequently designated its new Finance and Resources Overview and Scrutiny Committee as its committee for scrutinising the work of the PSB.

4.7 Under its previous arrangements for PSB scrutiny Conwy had co-opted representatives from PSB partner organisations to serve on its Partnerships Overview and Scrutiny Committee when the Committee was examining the work of the PSB. Denbighshire decided against co-opting PSB partner organisation

¹ <http://gov.wales/docs/desh/publications/160225-spsf-3-collective-role-en.pdf> Shared Purpose: Shared Future Statutory guidance on the Well-being of Future Generations (Wales) Act 2015, SPSF3: Collective role (public services boards) Welsh Government, 2016

representatives on to its committee when discussing PSB matters. Conwy's new Finance and Resources Overview and Scrutiny Committee is yet to discuss whether it will co-opt PSB partner representatives on to the committee for this purpose.

- 4.8 Denbighshire's Partnerships Scrutiny Committee in January 2016 discussed potential scrutiny arrangements for the new PSB following its establishment. At that time it decided to continue with "the existing *scrutiny arrangements for the LSB/PSB... subject to a decision on local government reorganisation*".
- 4.9 WG legislation has put PSBs on a statutory footing, this means that PSBs are required to engage with local government scrutiny committees on a regular basis. To assist local government with its role in holding PSBs to account the Government commissioned Public Governance Wales to undertake a research project and develop a guidance on the scrutiny of PSBs. That Guidance was published in August 2017 and is attached at Annex A for information. The Guidance details the strategic function and purpose of PSB scrutiny. It also outlines different approaches adopted across Wales for the scrutiny of PSBs.

Looking forward

- 4.10 The existing scrutiny of PSB arrangements were confirmed at a time when local authority mergers seemed certain to happen. Local government elections have taken place and the PSB at a recent meeting considered its own arrangements regarding access to its documents and meetings. A review of future Scrutiny arrangements in light of WG guidance therefore seems appropriate.
- 4.11 With a view to ensuring that the statutory duties relating to the publication of the PSB's Well-being Plan are met both local authorities' designated scrutiny committees have already scheduled consideration of the draft Well-being Plan into their committees' work programmes for their November 2017 meetings. This will ensure that both councils' committees will have sufficient time to consider options for the future scrutiny of the PSB and make suitable provisions to properly establish their preferred arrangements.

Public Service Board's views on future scrutiny arrangements

- 4.12 At its meeting on 28 September the Conwy and Denbighshire PSB discussed public access to its reports and meetings as well as its preferences for future scrutiny arrangements for its work. At the conclusion of those discussions it agreed that where possible its reports and meetings should be open to the public.
- 4.13 With respect to the arrangements for scrutiny of its work in future the Board concluded that its preference would be generally to be scrutinised by a joint committee made up of both Conwy & Denbighshire councils' scrutiny representatives. It also acknowledged that there may be instances where specific aspects of its work would be subject to scrutiny by one of the individual councils.
- 4.14 Having regard to the WG's emphasis on the need in future to deliver more services on a regional basis, which will in turn necessitate regional scrutiny arrangements, the SCVCG will have been asked to discuss the potential benefits of drawing up joint scrutiny arrangements with Conwy for the PSB (this may prove a useful exercise in joint scrutiny ahead of potentially more complex multi council regional scrutiny that is

likely to be needed in future). If the SCVCG is of the view that such arrangements merit further examination officers will liaise with colleagues in Conwy County Borough Council and the PSB on potential models for joint scrutiny prior to presenting options for members' consideration. The Democratic Services Committee's views on this are requested.

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

No direct contribution but the Scrutiny of the PSB is a statutory requirement.

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

There are no direct costs associated with this report. Any future costs will be largely officer resources plus a potential additional payment of a senior salary for chairing duties.

7. What are the main conclusions of the Well-being Impact Assessment?

An impact assessment is not required for this report.

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

The Scrutiny Chairs and Vice Chairs Group and the Conwy and Denbighshire Public Services Board have been consulted on the issues raised in this report.

9. Chief Finance Officer Statement

Not required.

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

An inadequate response to the increased use of regional and sub-regional activities could lead to poor accountability and transparency measures. This report outlines a potential response.

11. Power to make the Decision

Section 35 of the Well-being of Future Generations (Wales) Act 2015

Section 58 of the Local Government (Wales) Measure 2011

Regulation 3 of the Local Authorities (Joint Overview and Scrutiny Committees) (Wales) Regulations 2013

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