

Report To: Democratic Services Committee

Date of Meeting: 19th October 2018

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Title: A Joint Scrutiny Committee for the Public Services Board

1. What is the report about?

This report is about the proposed future arrangements to scrutinise the work of the Conwy and Denbighshire Public Services Board.

2. What is the reason for making this report?

This report provides information on the progress made towards establishing a formal joint Scrutiny committee for Denbighshire and Conwy Councils to scrutinise the Public Services Board (PSB). The new committee would be a 'Joint Overview and Scrutiny Committee' (JOSC). In Denbighshire, overview and scrutiny committees are commonly referred to as 'scrutiny committees'.

3. What are the Recommendations?

- 3.1 That the Committee recommends to Council the establishing of a formal joint Scrutiny Committee to scrutinise the Conwy and Denbighshire Public Services Board;
- 3.2 That the Committee endorses for Council approval the draft terms of reference and rules of procedure for the joint Scrutiny committee.
- 3.3 That the Committee considers and comments on whether remuneration should be made available to the chair of the joint Scrutiny committee.

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 PSB 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 In early 2016 the Welsh Government 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

- 4.4 Compliant with the legislative requirements, Conwy and Denbighshire councils have each selected one of their Scrutiny committees to be their designated PSB Scrutiny committee. For Denbighshire this is the Partnerships Scrutiny Committee.
- 4.5 By August 2017 the Welsh Government had published guidance on the scrutiny of PSBs (attached as appendix 1).

Establishing a Joint Scrutiny Committee

- 4.6 It was the view of the PSB in September 2017 that a formal joint Scrutiny committee would be the most appropriate vehicle to effectively scrutinise a strategic cross-county / county borough board like the PSB. The PSB confirmed its support for a joint Scrutiny Committee on the 19th June 2018.
- 4.7 The Scrutiny committees, Scrutiny co-ordinating groups and the Democratic Services Committees in both Conwy and Denbighshire councils have considered and agreed with the views put forward by the PSB to establish a joint committee and endorsed draft terms of reference for further consultation. The latest version is attached as

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

Appendix 2 with amendments suggested during the latest round of consultations highlighted in red.

- 4.8 It is anticipated that a final draft terms of reference will be put before both Councils this month and, if approved, a joint Scrutiny committee will be formally established.
- 4.9 The draft terms of reference proposes a model for the chairing arrangements. As the joint Scrutiny committee may only meet twice a year the consultations to date have given rise to a view that the role of chair should be allocated for a two year period. The Democratic Services Committee is asked for its views on this and particularly on whether the role of chair of the joint Scrutiny committee should be remunerated. Please see section 6 below.

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

The recommendations do not directly contribute to the Corporate Priorities but the Council's Corporate Plan was developed in consultation with partner organisations, including the PSB partners. The PSB's Well-being Plan and the Council's Corporate Plan have complementary aims and activities.

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

- 6.1 The main costs are the staffing resources that would be required by the new joint committee in respect of committee and scrutiny function support. These are referred to in the draft terms of reference which outlines that this support would be drawn from existing resources within Denbighshire and Conwy Councils. Both local authorities also provide support for the PSB.
- 6.2 Payments (remuneration) for undertaking an additional role as chair of a committee is determined by the Independent Remuneration Panel for Wales. For a joint Scrutiny committee the Panel currently allows a payment to the chair of £6,700. If the chair is already in receipt of a senior salary for a committee chair or leader of a political group role the additional payment would be £3,350.
- 6.3 The local authorities must decide whether the role of chair of the joint Scrutiny committee should be eligible to receive a payment. If the local authorities decide it does, the payment must be as shown in paragraph 6.2 above. In September, Conwy's Democratic Services Committee resolved to recommend that no remuneration be paid to the chair of the JOSOC. The role of vice chair of the joint Scrutiny committee cannot receive additional payments for the role.

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

- 7.1 An impact assessment is not required because this report is part of a consultation process on proposals to establish a Scrutiny committee. However, introducing a more effective Scrutiny model for the PSB will contribute to the PSB's delivery of its statutory role under the Well-being of Future Generations (Wales) Act 2015.
- 7.2 A local authority's Scrutiny arrangements are 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)

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

- 8.1 Consultations have been undertaken with the Partnerships Scrutiny Committee, the Scrutiny Chairs and Vice Chairs Group and the Democratic Services Committee who have endorsed the creation of a formal joint Scrutiny committee. Conwy's Finance and Resources Overview and Scrutiny Committee, its Scrutiny co-ordinating group and its Democratic Services Committee have also supported establishing the joint committee. The Conwy and Denbighshire Public Services Board have given their support.
- 8.2 Both Conwy and Denbighshire are expecting to take the issue to their full Council meetings in October 2018 for a decision.

9. Chief Finance Officer Statement

Not required for this report.

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

The resources to support the proposed joint Scrutiny committee would be drawn from existing resources in Denbighshire and Conwy Councils. Such collaborations can suffer if there is a lack of clarity on roles and expectations or if the contributing partners are not committed to the collaboration. To address these risks, a detailed terms of reference and rules of procedure has been drafted and elected members with prominent roles in Scrutiny from both councils and the PSB have been involved in developing the proposals and the terms of reference.

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