FLINTSHIRE COUNTY COUNCIL

REPORT TO: CABINET

<u>DATE:</u> <u>17 MARCH 2015</u>

REPORT BY: CHIEF EXECUTIVE

SUBJECT: WELSH GOVERNMENT WHITE PAPER:

<u>DEVOLUTION, DEMOCRACY AND DELIVERY –</u> REFORMING LOCAL GOVERNMENT: POWER TO

THE PEOPLE

1.00 PURPOSE OF REPORT

1.01 To invite a Cabinet response to the Welsh Government White Paper to inform a debate at full Council on 14 April 2015.

2.00 BACKGROUND

- 2.01 In July 2014 the Welsh Government (WG) published a trio of policy papers on the future of governance and the public services in Wales under the banner of Devolution, Democracy and Delivery.
- 2.02 The main policy paper was a white paper entitled *Reforming Local Government*. This set out the options for an intended reorganisation of local government.
- 2.03 The White Paper led to an invitation to councils to propose voluntary mergers for consideration by WG. Following submissions by three couplets of councils WG aborted the voluntary merger programme and instead issued a Ministerial statement committing to the publication of a proposed structure for local government in June 2015. The proposed structure and proposed smaller number of larger councils for the future is colloquially known as 'the map' for local government.
- 2.04 In January WG published a further white paper Devolution, Democracy and Delivery – Reforming Local Government: Power to the People. Whilst avoiding presenting a proposed 'map' for local government the White Paper does address some fundamental issues such as democracy and governance, powers, finance and the role and value of Town and Community Councils as the lowest tier of government. The closing date for responses to the White Paper is 28 April. The White Paper can be accessed on the consultations paper on the WG website

http://gov.wales/docs/dsjlg/consultation/150203-power-to-local-people-summaryv2-en.pdf

3.00 CONSIDERATIONS

- 3.01 Cabinet is invited to make an outline response to lead and inform the debate at full Council on 14 April. As an initial commentary on the White Paper:-
 - The White Paper does not present a full and compelling vision for the future role and value of local government and local governance similarly to the previous white paper. The principles of localism and subsidiarity should be built on. The power of general competence is an example of a positive proposal on which to construct a longer-term and viable role for local government. The roles of local government in debated functions such as joint working between primary/community health and social care, economic development and business support, and local tax collection, need to be set out with confidence and purpose
 - The fundamental questions which follow the above point and require some answers for a fully informed debate on a local government reorganisation remain to be (1) what will be the benefits of a reorganisation (2) how will the transition costs of a reorganisation be funded (3) what are the aspirations for localism and thereby the future roles, functional basis and freedoms to operate for local government and (4) how will local government be funded sustainably, and to what level, in the longer-term as a basis for planning?
 - The proposals for assuring good governance and improved performance management and accountability are not new. The White Paper proposes a combined set of current models such as self-assessments and peer reviews, all of which have proven track record where done well. These sorts of arrangements could be made, in return for less external regulation and government performance controls and 'strings', could be introduced voluntarily and do not require legislation
 - The White Paper 'opens the door' for a fuller review of the future financing model for local government but provides no answers. The call of the Welsh Local Government Association (WLGA) for a flexible and sustainable funding model, with councils properly funded to perform their roles in a changing society, is supported. The recently published report of the comparable English Commission can be used as a platform. Councils should have more freedoms and flexibilities including greater income generation powers, less reliance on Revenue Support Grant, retention of National Non Domestic Rates, and a reduction in specific grant funding. A national review of the role and purpose of local government cannot be divorced from a review of how it

is to be funded

- The White Paper is limited on its assessment of and proposals for wider public service reform and is too concentrated on local government, similarly to the previous White Paper. A total picture of planned public services reform is needed for full and informed debate
- The contested proposals of the paper for electoral reform have been met with some hostility across local government. Flintshire may well share these views. However, the Council is guided to concentrate on the bullet point above to advise WG on the role and value of local government. If local government succeeds in making a persuasive case for its preservation and growth then it is more likely to be able to advocate retention of electoral arrangements and local democratic control
- The approach Flintshire is taking to encourage Town and Community Councils to develop their functions, take on assets, act as the central point of community activity, and 'cluster' together to share resources and procure services, will help demonstrate the worth and value of the community level of local government. We should be demonstrating worth and value in addition to defending the principle of localism and community level representation

4.00 RECOMMENDATIONS

4.01 Cabinet is recommended to provide an outline response to Council on 14 April 2015, based on the points made in 3.01 of the above, for debate. Council will then pass a resolution on the formal consultation response to be made to Welsh Government.

5.00 FINANCIAL IMPLICATIONS

5.01 None directly.

6.00 ANTI POVERTY IMPACT

6.01 None directly.

7.00 ENVIRONMENTAL IMPACT

7.01 None directly.

8.00 EQUALITIES IMPACT

8.01 None directly.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly.

10.00 CONSULTATION REQUIRED

10.01 None directly.

11.00 CONSULTATION UNDERTAKEN

11.01 The Council Leader, Cabinet members, Chief Officers and senior managers have been consulted informally in the preparation of this report.

12.00 APPENDICES

None.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

None other than the White Paper of Welsh Government.

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