

Cynulliad Cenedlaethol Cymru

Pwyllgor Llywodraeth Leol a Gwasanaethau Cyhoeddus

The National Assembly for Wales

The Local Government and Public Services Committee

Dydd Mercher, 17 Mai 2006
Wednesday, 17 May 2006

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included.

Aelodau o'r Cynulliad yn bresennol: Ann Jones (Cadeirydd), Sue Essex (y Gweinidog Cyllid), Michael German, David Lloyd, David Melding, Catherine Thomas, Gwenda Thomas.

Swyddogion yn bresennol: Frank Cuthbert, Y Tîm Democratiaeth Llywodraeth Leol; David Fletcher, Yr Is-adran Cyllid Llywodraeth Leol; Peter Jones, Cwnsel i Wasanaeth Seneddol y Cynulliad; Laurie Pavelin, Gwerth Cymru; Stephen Phipps, Tîm Partneriaeth a Moeseg Llywodraeth Leol; Hugh Rawlings, Cyfarwyddwr y Grwp Llywodraeth Leol, Gwasanaethau Cyhoeddus a Diwylliant; Paul Skellon, Gwerth Cymru.

Eraill yn bresennol: Paul Charkiw, Cymdeithas Llywodraeth Leol Cymru; Rob Jones, Cyngor Sir Caerfyrddin; Cyng. Russell Roberts, Cymdeithas Llywodraeth Leol Cymru; Steve Thomas, Cymdeithas Llywodraeth Leol Cymru.

Gwasanaeth Pwyllgor: Virginia Hawkins, Clerc; Catherine Lewis, Dirprwy Glerc.

Assembly Members in attendance: Ann Jones (Chair), Sue Essex (the Finance Minister), Michael German, David Lloyd, David Melding, Catherine Thomas, Gwenda Thomas.

Officials in attendance: Frank Cuthbert, Local Government Democracy Team; David Fletcher, Local Government Finance Division; Peter Jones, Counsel to the Assembly Parliamentary Service; Laurie Pavelin, Value Wales; Stephen Phipps, Local Government Partnership and Ethics Team; Hugh Rawlings, Director, Local Government, Public Services and Culture Group; Paul Skellon, Value Wales.

Others in attendance: Paul Charkiw, Welsh Local Government Association; Rob Jones, Carmarthenshire County Council; Cllr Russell Roberts, Welsh Local Government Association; Steve Thomas, Welsh Local Government Association.

Committee Service: Virginia Hawkins, Clerk; Catherine Lewis, Deputy Clerk.

*Dechreuodd y cyfarfod am 9.00 a.m.
The meeting began at 9.00 a.m.*

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau Introduction, Apologies, Substitutions and Declarations of Interest

[1] **Ann Jones:** Good morning. Welcome to the Local Government and Public Services Committee. I remind Members to switch off their mobile phones, BlackBerrys or any other pagers that are likely to affect the recording or the electronic equipment. I also remind Members not to speak until the light appears on the microphone; there is no need to touch the buttons on the microphone stands.

[2] At this point, I think that it would be appropriate to say a few words about a former colleague, Peter Law, who was a member of this committee. In fact, this was the only committee on which Peter ever served, both as a Cabinet member and as a very valued committee member. There will be many times when we remember Peter's contributions. We will remember how he always fought for local government and how, when he felt that he wanted to say something, he said it. That is a tribute to Peter and to the way in which we, as a committee, work within the Assembly. To recognise Peter's work, the way in which we now move on in local government will be a tribute to the way in which he, as a Minister and then as a committee member, played his part. With that tribute, we will move on. I am sure that Peter would want us to carry on with the work, fighting for local government. So, that is what we will do.

[3] We remain a committee of eight members with a vacancy; therefore, the Standing Orders are the same, in terms of a quorum and substitutes.

[4] I introduce Lara Date, who will be taking over as the committee clerk on 5 June. She is sitting in on this meeting. We welcome you, Lara, to the meeting and to the team. Because Lara is taking over, we will be losing Virginia Hawkins at the end of the month as she will be moving on to be a team clerk, if that is the right title. She is transferring to clerk the Social Justice and Regeneration Committee and the Committee on Equality of Opportunity, and she becomes a team leader. We wish you well, although we are sorry to see you go. I am sure that there will be opportunities for Members to pay their good wishes at the appropriate time.

[5] **Dr Hawkins:** Thank you.

[6] **Ann Jones:** Although it is probably more for my benefit than for anyone else's, I remind Members that a transcript of the proceedings will be produced.

[7] I have not received any apologies for absence or notification of substitutions.

9.03 a.m.

Adroddiad y Gweinidog Minister's Report

[8] **Ann Jones:** Minister, I ask you to introduce your report.

[9] **The Finance Minister (Sue Essex):** I have nothing to add to the paper.

[10] **Ann Jones:** Thank you. We will therefore take questions to the Minister on her report. Are there any questions on items 1 to 8? Mike?

[11] **Michael German:** I refer to paragraph 8 on the local authority business growth incentive scheme which notes that there are:

'concerns over the mechanisms of the calculation'.

[12] I am pleased to know that the Minister has the expert on it here today. Could you outline what the concerns are, and also what your expectation is on the number of years that this scheme will continue? As I know, part of the worries for local authorities is that scheme has a short-term life. Would you commit a long-term programme for this if it were to be curtailed?

[13] **Sue Essex:** Chair, may I just make a suggestion? It is quite a complicated tale to tell around LABGI. I am quite happy to take the second point, but having discussed this with the Chair and the clerk, we thought that maybe we could have an item on it at the next meeting then we can go into all the details. Today's agenda is very heavy. However, David has come along to answer questions.

[14] **Michael German:** It will not go away before the next meeting.

[15] **Sue Essex:** No. I am just worried about keeping to the agenda if we get into a lot of detailed questions. It is up to Members. We are happy to do it now, but if we want to concentrate fully on it—

[16] **Michael German:** I am happy to wait until the next meeting.

[17] **Ann Jones:** That is kind of you; thank you. We intend to set aside a significant amount of time for the committee to look at this.

[18] **Sue Essex:** On the second point, it was the Chancellor's scheme, and it was a new scheme. David, was the commitment for three or five years?

[19] **Mr Fletcher:** The Treasury has given a commitment of three years. The scheme is now in its second year.

[20] **Sue Essex:** I have not spoken to Gordon Brown about it, but we were pleased because it recognised the role of local authorities in economic development. What happens after the three-year period will, to some extent, depend on what Michael Lyons says about business rates. That is as much as I know. I do not think that I will get much more out of the Treasury at the moment in terms of its life until after Michael Lyons has responded, and until the Treasury has reviewed what has happened with the money and how the scheme has worked.

[21] **Ann Jones:** Therefore, we will schedule a further discussion on LABGI. Are there any further comments on points 1 to 8 of the Minister's report? I see that there are none. We will move on discuss point 9 to the end of the report.

[22] **David Lloyd:** I have a couple of points. The first is on the Wales spatial plan. I would like a little clarity with regard to recent developments. As I have said before, and I am sure that the Minister agrees, this is a fundamental blueprint for the future—I think that the Minister herself has used those words at some point. Wales is bounded on three sides by Water, and I would like to see firm mention of a link to a marine spatial plan in terms of control of our coastline and our international waters. So, in other words, that is any developments with regard to marine co-ordination. I realise that many strategies will dovetail into this, but I would like to see a marine spatial plan and the conservation and water issues emanating from that. Transport is also a key indicator, and we are all aware of the transport difficulties between north and south Wales, between valleys and within certain valleys. I would like some clarity with regard to how transport and the community strategies, which we will discuss later, dovetail into this major blueprint.

[23] I also have a question on annex A. Do you want that now?

[24] **Ann Jones:** We will take your first question, and I will come back to you on the council tax revaluation. David, is your question about the Wales spatial plan?

[25] **David Melding:** Yes.

[26] **Ann Jones:** Would you like to ask your question, and then the Minister can respond?

[27] **David Melding:** My question relates to NHS reconfiguration, which might be a significant reconfiguration. My first point, which I also made in the Chamber yesterday, is that the way in which the consultations have been rolled out is far from best practice: to suddenly hear some of the options on the radio, when there has been no real involvement, is not best practice. Some cross-party work needs to be done if we are going to look at how the NHS is reconfigured in relation to hospital services. That is very important. The planning issues are also significant. We are talking about the possibility of a super district general hospital in Whitland all of a sudden, and I do not know if that is feasible or is meant to be considered as a likely option. However, it is being talked about, and it would have massive implications for the spatial plan. I do not think that a Government can expect to get much agreement when these massive issues are launched suddenly. It is very much, 'Here are the plans to be consulted upon', rather than our being involved in forming, at a very basic level, the various options that will be in front of us.

9.10 a.m.

[28] **Sue Essex:** Dai makes a very important point about the marine spatial plan. I cannot think of anywhere in the world where it has been done, but it is very important to our plan. When we considered this aspect when we developed the plan, we were aware that legislation is going through and that it would be a bridge too far to bring it into the original spatial plan because there was complicated legislative control over the marine areas. As we roll out the spatial plan as our all-Wales document, and when we update the plan next year, we will be able to put more in around the marine aspect. We are still constrained or limited by legislative control, so we must be realistic, but there is a very strong relationship with what happens in marine and coastal areas. In a couple of areas of Wales, very important work has been done, particularly in north-west Wales in terms of the conservation value, and in south-west Wales in terms of the particular pressures around energy and the development of Milford docks and so on. As the plan rolls forward, we will pay as much attention to the issue as is sensible.

[29] On transport, Dai is right that it is a major issue. In all the regions that I have been through, it comes forward as an issue. That is the case in the Valleys, where there is a real need to improve the old traditional road network. If you go to Porth, you can see a very good example of what is happening now. Not long ago, I was in the Sirhowy valley when we opened the bridge that we had funded in that area, which is a key piece of infrastructure investment to allow Oakdale to come onstream as a revitalised employment centre. So, transport is important in those areas, but it is also important, as Dai said, for strategic connections. I am pleased to say that Andrew Davies, as the Minister responsible for transport, is one of the great enthusiasts for the spatial plan. He leads on two groups and he sits on the Cabinet sub-committee, so he is very aware of the transport framework and that the resources need to be followed through. We used Objective 1 funding quite well in the first phase, but depending on the limitations that are put on us in terms of that, transport is one of the key infrastructure areas for the next round of structural funds.

[30] On community strategies, it is absolutely right to say that the community strategy is the key document that will mirror the spatial plan. We will have that discussion later on, but there will probably be quite a different approach to the guidance for the next round of community strategies. The relationship with the spatial plan will be one of the important components of that.

[31] Regarding David Melding's point on the NHS reconfiguration, I have held discussions with my NHS colleagues around this because the spatial plan, and what we are trying to achieve with it, is an important component or something to be borne in mind when the NHS reconfiguration takes place. As an aside, I was at one of the public meetings in Pembroke Dock on the reconfiguration, and a member of the audience during the first or second question waved the spatial plan, and said how important it was. I was quite pleased about that, to think that it had reached all parts—

[32] **David Lloyd:** It was you, was it not, Mr Rawlings? [*Laughter.*]

[33] **Sue Essex:** No, no. The person in the audience was using it in a very constructive way, because he was making the point that he was not threatening the chair with this kind of heavy document. So I thought that that was good news. Where I think that the trick will be on the NHS reconfiguration is that there are health imperatives on a spatial scale, and much of the interesting discussions at that meeting were around the provision of community services, so there was a general understanding of the different spatial levels of delivery of service to which we will be moving in the future, married alongside many of the key messages in the spatial plan, which is about synergy of development. So, you get the benefit of the correlation of investment in major public sector areas with the distribution of population, both in terms of the population that is being served and also, importantly, in terms of the workforce. That is a key consideration. The evaluation that the NHS will do on all the things that are coming back will include the key elements that are contained in the spatial plan.

[34] **Michael German:** I will just add a quick point, if I may, on the point that David made. There was an important issue about the way in which these decisions are taken. Later, we will be looking at joint working in local government in Wales. There is an important paragraph in here that reflects what Peter was saying. It says that major projects need to include political timetables in the risk analysis and that, where possible, all party support should be built to ensure that long-term projects can start. Some of your colleagues may need to take that on board.

[35] **Ann Jones:** Is there anything on those items before we move on to item 11? I see that there is not. The next item is on the valuation and compilation dates for council tax. Dai and Mike want to comment on that.

[36] **David Lloyd:** I am grateful for the clarification here but I would like confirmation on representations that I have had from a couple of constituents as regards improvements to their property after the valuation and how that reflected their current banding. I would like confirmation of what date the valuation would be based upon. Would it be back in 2003, along with everybody else, or would it be at the time that the constituents were revisited because of revaluation? That confusion still exists and people feel that they are being penalised for having stuck in an appeal on their rebanding, because, as part of the appeal, their estate is valued later and they feel that their consequent rebanding is based on that later valuation, when, if they had not appealed, they would have had the earlier, lower valuation. Is that a correct reading of the case?

[37] **Mr Fletcher:** I will start by rolling back a bit.

[38] **Ann Jones:** Hang on; we will take Mike's question too.

[39] **Michael German:** My question is on exactly the same issue, namely the last paragraph of the report. My only question is: is this fair? It is the same point. The sentence says that if there is an error in the list, it will only be backdated to 1 April 2005 if it is to be reduced.

[40] **David Lloyd:** So you are penalised for appealing.

[41] **Michael German:** Yes. Is that fair?

[42] **Mr Fletcher:** The premise here is that the valuation is based on prices as at 1 April 2003. The list comes into being on 1 April 2005. The valuation officer has a responsibility. If valuation officers value a property at the end of 2003, when they know the price of that property, and place it in a band, and it subsequently comes to view—perhaps from planning information going from the local authority to the Valuation Office Agency—that there has been an improvement to that property, or, as you say, it comes out during an appeal on the original banding that the owners have modified the property significantly, over and above the information that the Valuation Office Agency would have, that banding would be changed in the intervening period between December 2003 and the valuation date, which is 1 April 2005. So, the officer looks at the house and its condition and if you have made improvements before 1 April 2005 that the VOA was unaware of, the banding would be changed. Whether or not you think that that is fair, it ensures that the person will pay council tax according to the condition of the property as at 1 April 2005—[*Inaudible.*] So if they had had—

[43] **Michael German:** Or a reduction?

[44] **Mr Fletcher:** Or a reduction, whichever. If it comes back and there is an error and it is reduced, it would be reduced to the value as at 1 April 2005.

[45] **Michael German:** That is the issue for me. Is it fair not to go on the date of 2003?

[46] **Mr Fletcher:** Well, they would not be paying an increase on 2003—[*Inaudible.*]

[47] **Gwenda Thomas:** That information would come to the valuation office via supplementary information and there would not be an onus on the homeowner to notify of any improvements?

9.20 a.m.

[48] **Mr Fletcher:** What I was talking about in that particular instance was with regard to Mr Lloyd's point about people going to appeal if they felt that their current banding was too high but that it was then seen to be too low. That comes out through the work that is being done by the valuation office and further checks because of an inquiry. They may then find that information out; they may not have been aware of it if there had been a delay in the local authority supplying them with the information on the improvement.

[49] **David Lloyd:** To confirm this point, therefore, the householder is not obliged to provide an update if he or she has made improvements in the same timescale but has not appealed against the banding.

[50] **Mr Fletcher:** They have to make the information available to the local authority for planning permission and so on. The responsibility is then on the local authority to inform the valuation office rather than on the council tax payer.

[51] **Michael German:** Do we know what scale of—[*Inaudible.*]

[52] **Mr Fletcher:** I do not have any specific details, but I have talked to the chief valuer, who is reasonably happy. Obviously, there were different degrees of passing them through. We always work with the local taxation working group to try to bring this to the forefront; the quicker the information is passed from the local authority to the valuation office, the quicker the council tax lists are maintained.

[53] **Ann Jones:** Thank you. Is there anything else on the Minister's report? I see that there is not.

9.22 a.m.

Rhagolwg ar Is-ddeddfwriaeth Secondary Legislation Forward Look

[54] **Ann Jones:** Members will see the new additions in the shaded blocks. Is there anything there that Members want to identify to committee?

[55] **David Melding:** The Congestion Charging Regulations, which I am sure will be echoed around the table.

[56] **Michael German:** The Sex Discrimination (Public Authorities) (Statutory Duties) Order 2006.

[57] **Ann Jones:** Yes. There is a problem with bringing that one formally to a committee, given that it is due to go before Plenary on 6 June, which is in a fortnight's time and we do not meet before then. However, we can look at it and, if Members are happy, we can circulate it outside of committee. If there are any comments, perhaps we would need to have an informal meeting. However, we will circulate it and look at it in the usual way. Are Members happy with that? I see that you are. It will be noted that we want to look at it, and perhaps we can put our views formally at the next meeting.

[58] **Michael German:** As I understand it, Chair, this is a responsibility that falls upon the Welsh Assembly Government and the Assembly Parliamentary Service, so it is about trying to keep our own house in order. I do not know whether the House Committee has to look at it; that must be another issue for it, presumably.

[59] **Ann Jones:** I think the Committee on Equality of Opportunity is looking at this. Gwenda, can you help us out? Is the Committee on Equality of Opportunity considering the Sex Discrimination (Public Authorities) (Statutory Duties) Order 2006 at present?

[60] **Gwenda Thomas:** Yes. It is looking at a wider picture, which includes the pay gap and various equality issues. I was engrossed in reading this; I have not come across this piece of legislation.

[61] **Michael German:** This reflects upon our activities. This ought to go through Gwenda's committee, the House Committee or something before we have a feel for it. I am sure Gwenda would like to add some things.

[62] **Ann Jones:** I am being told that we are reliant on officials for notifying us to put it into the Schedule and this is the first time that we have been notified of this. However, as I said, the option is there for us to circulate this outside of committee and, if there are any comments, we will find a mechanism for feeding them in.

[63] **Sue Essex:** Mike has raised a valid point about where some of these might go. We need to pick up on those cross-cutting issues.

[64] **Gwenda Thomas:** I am thinking about the job evaluation exercise that is currently being conducted in local authorities. This would have a bearing on that process. However, I have not seen a link to it until this paper was produced today.

[65] **Michael German:** We really ought to ask officials to hold back from bringing it to Plenary until such time as the relevant committees of the National Assembly have had a chance to look at it. It bears entirely on the work that Gwenda is doing. Will it shake the world if it is put back a month?

[66] **Ann Jones:** I believe that it comes under Standing Order No. 26, and therefore it is not required to come before committees. It comes from the UK Government, so we can only accept or reject this proposal. However, we will pick up the points that you have made, Mike; the Minister has already alluded to the fact that we will pick this up and see where it needs to go, and find the mechanism by which we can do that.

[67] **Michael German:** There will be no getting away from it now.

[68] **Ann Jones:** Okay. Is there anything else on the secondary legislation? I see that there is not, that is fine.

9.26 a.m.

Adroddiad Ymchwil ar y Strategaethau Cymunedol Community Strategy Research Report

[69] **Ann Jones:** Minister, will you outline the paper for us?

[70] **Sue Essex:** I want to share a personal point of view about how important community strategies are. All Members will be aware that we went through a major exercise of reducing plan requirements for local authorities. One of the key reasons why I was happy to do that was because community strategies were in place. I see them as important documents, in terms of laying the basis for partnership within the authority and without, but also by giving a clear and integrated vision of where the local authority is going. We have discussed that in relation to the spatial plan.

[71] The first round of community strategies were reasonable; there were variations in quality across Wales, but they were reasonable in the light of it being the first time that local authorities had done them. In view of the importance, as I said, that we give them, we wanted to commission a piece of research work that would do some of the things that we do not have the time to do, namely visit authorities, produce proper questionnaires and see where we have reached. It has been an interactive piece of research, my officials have been involved with the team and I have seen this as it goes along.

[72] We have produced another report that pulls out the main issues that came from the report, in association with our views. I have views that have come from visiting all local authorities and seeing a lot of these documents, bearing in mind that we are several years on now. We are talking about 2006; we have to prepare guidance for local authorities that—in the current jargon—is fit for purpose over the next few years. We are in a very different ball game to the one of even a few years ago. The world is so dynamic that we now have local authorities discussing partnerships that go way beyond their administrative borders. So, the duty to collaborate is a major issue, as is the regional groupings. The way that we could look to integrate local authorities and other agencies across service areas is also a major issue.

[73] That is where we are in our thinking. The guidance will be crucial in supporting local authorities to make this important step-change for the next round of community strategies. Hugh is here; I do not know if he wants to add anything to that.

[74] **Mr Rawlings:** No.

[75] **Ann Jones:** We will go around the table.

9.30 a.m.

[76] **David Lloyd:** I commend the work that was done on this research. As the Minister outlined, community strategies are extremely important. There are some themes here that we have discussed before, which do not seem to be going away. The background now involves the Beecham review, which is looking at regionalism and better co-ordination of services between different public bodies, and also raising the issue of local public service boards and so on. How does this connect up with Beecham and any other reviews that will be carried out? In terms of the earlier discussion on the spatial plan, it is not clear to me how everything will work as one coherent whole. As the Minister said, the plan rationalisation idea means that we are meant to be having fewer plans, not more.

[77] Certain themes will not go away and I will concentrate on just one, the duty to co-operate, in that some local stakeholders are reluctant to become involved in partnerships. We have all known that for many years, from our different backgrounds. It obviously still holds true that various important stakeholders, who should be getting involved in all sorts of community strategies, for a variety of reasons, do not do so. Sometimes, those reasons may be budgetary or due to time constraints or the bureaucracy and paperwork involved. There are a whole variety of issues. How are we going to harden up, or flesh out, that duty to co-operate when, patently, local authorities over the years have found it difficult to get everyone on board who needs to be on board?

[78] **Michael German:** On that same point—the duty to co-operate—the Scottish experience of going down the legislative route and requiring public agencies to co-operate in community strategies is included in the document. However, does the root of the problem lie a little deeper than that? If you read the paragraph that is before us on the duty to co-operate, it says that most of the resources that are allocated to community strategy partnerships have come from local authorities. Those who fund the process of getting together and the way in which the system operates are often seen to be in the driving seat; therefore, it cannot be seen as a real partnership. Is there a funding issue here? It is almost a question of sticks and carrots. It may be that there needs to be some priming with money from other public services in order for others to see that they have a stake in being stakeholders; otherwise it looks to them as if they are under the direction and control of the local authority alone.

[79] Does the Minister have any views on whether we should proceed down the Scottish route? It is not a very strong piece of legislation in Scotland; it just says that they are required to co-operate. I do not know whether it has made a difference. Do we know whether the requirement to co-operate means that you have to attend meetings or that you have to be a wilful and pleasant attendee of those meetings with something pleasant to contribute? In a sense, it is that second part that is important. If you are going to have a proper community strategy, you need to have the co-operation of all partners. Perhaps the funding route is the most appropriate way of requiring people to contribute to this process; it would make it much clearer to people that they are joint stakeholders.

[80] **Ann Jones:** Shall we just deal with those two points first and then move on?

[81] **Sue Essex:** I think that the spatial plan will be easier because there will be area frameworks in place and that will set the context for the community strategies next time around. The Beecham report will be crucial to this; as you read in my report, we are expecting it to come out in July. That report will pick up some of the key issues that have been identified and it will pick them up across the public service. Two different levels of involvement come out from the questions. I have looked at some of the community strategies and talked to the local authorities and, in some areas, it has worked well in involving what I call local stakeholders. There has been a huge degree of enthusiasm that has been carried through, which has clearly manifested that it has mobilised that degree of involvement. In others, that has not happened, or has not been sustained, and that raises an interesting question as to why that happens.

[82] In terms of voluntary groups, you cannot force people to get involved, but some of the thoughts on an approach that uses neighbourhoods or areas, as well as cross-sector, say, if you have a mental health voluntary organisation that wants to get involved, from my experience, mean that you are more likely to get buy-in from people, because they have a kind of local geography that they can identify with. In the second round, we will be looking to local authorities to consider where the gaps have been, what their experience has been, and how they can plug those gaps.

[83] The second point you talked about is really about the public-sector players and others, and that, too, will be a core area for Beecham to look at, as it goes into the considerations of the Public Services Board. There may be a role for funding, as Mike says, to put something in the pot, but it has to be a bit more sophisticated than that to get that buy-in, and, probably, Beecham will be looking at a more structured framework, or the possibilities for a more structured framework, to get that kind of buy-in and that integration.

[84] I am really not sure about Scotland's mandatory approach, but I would be interested to know Members' opinion of that. I would much prefer this to be an automatically natural process in which people get involved and feel a part of it. We have used the need to collaborate in education legislation, and I have been strong about certain areas, such as civil contingencies, where it is absolutely clear that there has to be cross-border collaboration. I am not ruling it out, but you have to be careful, because you also have to have the cultural buy-in, the real willingness to part of the team, and that often requires quite fundamental reorganisation—not organisational and structural, but rather structural reorganisation about how a team is working, how those responsibilities are defined, and how that is recognised back at the ranch. In that way, if you are coming in from a local health board, say, your time spent working in that team is structured in back within your parent organisation. Those are the kinds of tricky things that need to be done. I speak from a lot of personal experience of being close to these kinds of arrangements, and these are the things that have to be really clear right at the beginning in order to make them work and be sustained. That is where the complication lies. But, the incentives are quite strong, and they are around the better product that comes out at the end.

[85] **Michael German:** It would be useful for us to know whether the Scottish experience has worked. I do not know if there has been any evaluation of it, or whether it is possible to have one.

[86] **Sue Essex:** It is ‘too soon to say’, as the song says, because some strong words have been said in Scotland. We have a much closer relationship with local government, and the voluntary route is moving apace. It is not 100 per cent in terms of giving the answers, but it has moved on enormously. In Scotland, the Government has reached a conclusion about this working. I am in close touch with my colleagues in Scotland, and I am sure that you are, too, Mike, and I will want to see how this develops. However, I think that it is very early days, and I am not sure that we will get the answers from this to guide us in our response to Beecham. It would be nice, and I am sure that they will give us what they think, but we will all make our responses to Beecham in view of what we think possible in Wales.

[87] **Ann Jones:** Gwenda, did you have something to say on the point the Minister was making, or is it a separate point?

[88] **Gwenda Thomas:** It is on the duty to co-operate.

[89] **Ann Jones:** Do you want to come in now, then?

[90] **Gwenda Thomas:** I am sure that we all agree that it is crucial to consider the child’s perspective as well. There can be little doubt, considering the evidence produced in ‘Keeping us Safe’, that children would be better protected and safeguarded if there was better co-operation and joint working. I feel that we should highlight the importance of considering the child’s perspective in any future debate on the issue.

9.40 a.m.

[91] **Sue Essex:** I am glad that Gwenda has drawn attention to this, because there are certain key areas where we know that this collaboration agenda must work; there is no question that that includes social care, and it is certainly around children and the whole issue of vulnerable children. If there is any area where you think that you might need to move to an absolute mandatory arrangement to spell out the duty to co-operate, it is in this area, because we have had some terrible past failures—fortunately, not too many—in Wales. We cannot be complacent around this issue, so I am glad that Gwenda has mentioned that.

[92] Whatever comes out of the Beecham report, we need to test it in terms of service delivery areas. One key area is this whole area of children and the multiplicity of agencies that are involved. That would be a very useful piece of work that we could think about. As I say, that might be one area where the duty to co-operate has to be at the fore.

[93] **David Melding:** I will press the Minister further. What she has said is quite revealing. We are getting a sense of the direction of policy. The danger of the cultural approach is, basically, inertia. You said that the incentive for them to co-operate is that they will produce a better product, but I am not sure that that is a firm enough incentive to get people moving. That relies on an awful lot of goodwill and things coming together from all sorts of individuals and agencies. I will press the Minister as to whether a pilot scheme of a local public service board in Wales would now be appropriate. There is, clearly, some interest among local authorities. Again, indicating where the Minister is inclined to go, the note under local public service boards raises the issue, and then you are straight into barriers:

[94] ‘These include the vires of such bodies, the power of local authorities and others to delegate functions to them, their accountability in relation to public funds, including when public bodies pool budgets to undertake specific actions identified in community strategies’.

[95] That is just saying ‘no way, José’, is it not? Are you surprised that we have so many barriers given that you have something as dull and total as that in your ministerial note?

[96] **Sue Essex:** Sorry, we are reporting on community strategy research, so this is not what has gone here—

[97] **David Melding:** You signed this off though, did you not?

[98] **Sue Essex:** Yes; I am reporting on what the research is showing. I am not saying that this is my view. I am responding on what is here. I am saying that there are some fair points on the duty to co-operate. On the public service board, I cannot pre-empt what Jeremy Beecham sets, but we know that this is one of the issues that is floating around. It is not new, in many ways; we have had public service boards in the public sector before. I am thinking of joint-boards on parks, and those that existed around transport and so forth. We have to recognise that there are issues of accountability around them. Unless you recognise that, you will not address it properly and there will be problems. So, I think that that is what it is saying. It may be a little more negative than you want to see but, at the end of the day, we have to decide, post-Beecham, whether we want to go forward, and the pilot idea is one option. It is difficult to put a pilot in place for something like this. It may be a real possibility in certain areas within Wales. If so, and if it is going to deliver, I do not have an ideological objection to it, but we have to make sure that it works and that issues of accountability are factored in and thought-out in the first place. I do not have an ideological problem with that. If it delivers the goods and is a modern version, that is fine, but let us go in with our eyes open about what it means and let us look back at some of the models seen in the past.

[99] In terms of what you said about minimising the cultural issues, I said that, in my experience, cultural issues relating to how people work and how they relate to one another—the soft issues—are often not addressed, but are crucial. Unless people are working within the right culture of collaboration, it will not work. So, you can look at structural things, you can look at funding arrangements and at legal requirements, wherever possible, but you have to ensure that the people who are doing this buy into that and feel its value, not only in terms of the product but for themselves. One of the interesting things that came out of some earlier research that I undertook was that those who were engaged in collaborative work all noted that they derived personal benefit from it in that it extended their job and their skills. They were prepared to go the extra mile because of their experience. So, I am not saying that cultural issues are the be all and end all, but they need to be understood and put in alongside those other key structural issues.

[100] Your point about the drivers for collaboration was fair. There will be a range of drivers, and we have to be honest enough to look at all of them. This will include funding. Many of the drivers for collaborative working—and the WLGA will be honest enough to admit this—relate to the resource agenda. They need to collaborate in order to have sufficient resources to work in the way that they want to in the future. No-one has hidden that; it is one of the key drivers for collaboration. However, it is also about getting a better product. We have spent a lot of time in this committee talking about performance indicators and their value, and those are now in place and will be drivers. If scrutiny is working in local government, those who are on scrutiny committees also need to pursue that agenda. This is where we are hoping to get. We need to realise that there are some dangers and pitfalls around this, and we need to address those.

