

# Strengthening local government: delivering for people

## Response to Welsh Government Green Paper

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### 1. Introduction and context

- 1.1 CfPS is the national expert on governance and scrutiny in local government. We have operated across England and Wales since being established in 2003, and delivered for the Welsh Government a Wales Scrutiny Support Programme for Welsh councils between 2012 and 2015. We have worked directly with Welsh councils before and after this programme to improve and develop the way they do scrutiny.
- 1.2 Our recent work includes guidance for Public Services Boards - a publication that promotes shared working among different authorities and helps scrutiny committees to provide accountability and improvement of Public Services Boards, along with training provided for individual authorities. We have also carried out a significant amount of work on modernisation and transformation in England and provided advice and support to scrutiny functions on how to tackle challenges associated with transformation and major change successfully. This includes the provision of advice and support to councils under central Government intervention and councils undergoing structural reorganisation (including the establishment and scrutiny of shadow authorities).
- 1.3 Given our field of expertise we would like to focus this consultation response primarily on the role of scrutiny. However, recognising that local government structural reform in Wales has been on the agenda for many years, and that previous attempts to facilitate more regional working through voluntary arrangements have proven to be less successful than expected, CfPS would like to stress the importance of consistent action now rather than allowing further delay and uncertainty.

1.4 In this consultation response we would like to address the scrutiny and governance elements of WG’s plans for change. All our research<sup>1</sup> points to a fundamental role for scrutiny in the change process - scrutiny is meant to provide effective oversight of the transformation process. Such changes are often fast-moving, and as organisations reshape (and as new ones are created and old ones abolished) lines of accountability can become blurred. Oversight can drift away from elected members, for whom the complexity and pace of change is offputting. Invariably executive-side members and officers act in good faith – they want to see a wider range of elected members involved, and welcome productive scrutiny of their work – but without scrutiny being “designed in” when transformation happens, it can quickly get left behind.

## 2. **Transition committees (and related arrangements)**

2.1 The use of shadow authorities, and transition committees, to manage the change process is a longstanding feature of local government reorganisation. We are keen that WG recognises and clarifies the critical role of scrutiny in the operation of these bodies. We welcome the recognition that shadow authorities will have an important role in democratic assurance but consider that clearer commitments are necessary on what this means in practice.

2.2 Transition Committees and shadow authorities should act in a publicly visible way, to ensure that planning and delivery of matters relating to transformation (including, in particular, development of budgets) happens as far as possible in public. We see this as an opportunity for a step change in how local government carries out strategic planning and budget development in public – and an important way for the sector and WG to obtain local buy in to the changes taking place.

2.3 Transition Committees will need to be open – to allow for the scrutiny functions of the “predecessor” councils to review and consider their work, and to plan for a seamless move of local oversight between those predecessor authorities, to the shadow authority, to the new authority once it takes on its formal powers. The role of scrutiny at each stage is likely to be different, and to involve different partners. Transition arrangements will need to take in mind these necessary shifts in role and duty, to ensure that oversight does not falter at key points in the change process.

2.4 We expect that shadow authorities, once established, will have scrutiny committees; as far as possible these should both be responsible for

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<sup>1</sup> In particular, “The change game” (CfPS, 2015), and our series of publications on English devolution, including “Devo How? Devo Why?” (CfPS, 2015) and “Cards on the table” (CfPS, 2016)

monitoring the progress of change, and helping the authority to set a strategic direction for the future. We consider that there is a risk that scrutiny could easily get bogged down in operational issues around the mechanics of the transition. If WG plans to issue, in due course, guidance on scrutiny in transition, this should reflect the need for scrutiny to provide a strategic overview, to mitigate this risk.

- 2.5 We expect that scrutiny would need to be free to decide on what its role ought to be at various stages in the process. Within the broad arenas of “strategic direction” and “oversight of transition” sit a wealth of potential opportunities for effective member oversight.
- 2.6 The local “space” for scrutiny is likely to look different from area to area. Strategic needs are different – the aspirations and experiences of the local population, and members’ political priorities, will be different too. Scrutiny’s role will need to reflect that nuance, which is why a careful line will need to be drawn between highlighting scrutiny’s centrality to transition and providing too much prescription about how scrutiny’s role ought to be transacted area by area.
- 2.7 These are issues that have been explored at length by Welsh councils and the WAO, most comprehensively as part of the “Good scrutiny? Good question!” national research and support carried out in 2014; we recommend that WG have regard to that valuable and comprehensive work in considering its next steps on governance.
- 2.8 Support to build and maintain capacity for effective scrutiny before, during and after transition will be especially important. We would like to see WG exploring with councils and WLGA what kinds of support and resource might be required to carry out these new and different roles. We cannot speak for the sector in setting out what we think that these roles, and their resource implications, are likely to be – practitioners themselves need to be the ones leading the debate, and WG should listen to them and act on their needs.

### **3. Roles and responsibilities of new councillors**

- 3.1 The consultation document raised an important issue of roles and responsibilities of new councillors amid increasing pressures and various local government challenges. Scrutiny should be the first function to investigate this matter further, as it is uniquely placed to understand the realities of councillors’ work, to provide critical challenge and oversight of local government plans, and to engage with residents and communities.

- 3.2 In addition to that, there is an existing scrutiny duty and responsibility to reflect on scrutiny and the Executive's respective roles and functions, as well as to understand what enables local people to become involved in local democratic representation. With the help of public dialogue, scrutiny would be able to identify key gaps in the current councillor roles and attract Executive attention to them.
- 3.3 Solutions developed locally by scrutiny tend to benefit from councillors' knowledge and understanding of communities, their ability to build trust and connect with residents. As such CfPS would urge WG to recognise and act on scrutiny's leading role in resolving this issue at local level, rather than seeking to develop a national response to it. It is likely that local thinking and action, through scrutiny, can in due course be aggregated at national level for research and evaluation purposes.

#### **4. Powers**

- 4.1 CfPS welcomes the call for empowering elected members and Government's commitment to increase councillors' and councils' powers. Again, we would highlight the opportunity for elected members at a local level to lead this discussion. We would counsel against the automatic assumption that a national discussion is necessary about a consistent national approach to further devolution (subject to what we say in the paragraph below); it may be that different councils will want to proceed at different speeds, and a locally-led system will recognise this.
- 4.2 Additional powers will need to be accompanied by discussion about effective local accountability. While detailed discussions at local level will be the driving force, a discussion will need to happen between national institutions (WG, WAO, WLGA and others) to talk about what this means for expectations of national accountability. We would hope that agreement of robust accountability and governance systems at local level – driven by a cultural understanding of the benefits of good governance and a commitment to openness in general – will provide national bodies with the assurance they need to adopt lighter touch approaches to oversight. This will make meaningful devolution role – driving down accountability for local decision-making down to local level, where it sits best. We would naturally conceive of scrutiny as central to these local arrangements.
- 4.3 In advance of formal proposals on the type of powers needed, CfPS would propose that local authorities should stress-test local proposals for additional powers before making a submission to the Government – as the first step on this journey towards better local assurance. We believe that solutions developed locally based on extensive local knowledge and ability to connect to

residents would benefit local authorities as well as help in building relationships between councillors and communities.

## **5. Support for change**

- 5.1 CfPS welcomes WG's commitment to provide early practical support to councils on the issues of workforce development, service integration, and digital developments. However, given that transformation is such a complex process and has numerous challenges not only on the delivery side, we would note the importance of support to politicians – to enable them to manage the transition and the new skills required effectively. Organisational development is as much to do with political culture – councillors leading from the top – as it is about anything else.
- 5.2 We recognise the workforce benefits of conceiving of a “single public service” for Wales, and of the associated “once for Wales” approach to planning, designing and delivering services.
- 5.3 We would however counsel against approaches that degrade local accountability and local democracy, however. It is correct that the “right” decisions have to be taken at the “right” level – but those decisions have to be implemented by officers who are accountable to, and embedded within, the communities they serve. We are concerned that an approach which focuses on business efficiency, and the removal of perceived “duplication” in local public services, will result in public services becoming more remote and less tailored to the needs of individual people and communities.
- 5.4 We welcome the commitment of ongoing support to the sector by Academi Wales. We would expect that the offer to local government delivered, in part, through that organisation will be developed alongside the sector, and that it will take into account the bespoke needs of different councils, different approaches to scrutiny and accountability, and the needs and expectations of different political groups.
- 5.5 Political support is vital for two main reasons:
- (1) it would help councillors deal with the increased work load, and
  - (2) it would allow councillors to engage with local communities more effectively.
- 5.6 Political support is about ensuring that residents and local people fully understand the transformation process, its impact on their lives, and their role and contribution to the transformation – and that councillors are visible in

publicly owning, and overseeing, those changes. Such political support may include providing additional resources and support to councillors on ways to engage with communities, on ways of managing change, and of strengthening local scrutiny in advance of transformation and may include increasing officer resources to support scrutiny and training opportunities. We have highlighted some of the specific opportunities on this front earlier in this paper.

## **6. Transformation**

6.1 CfPS extensive research on transformation issues highlights the need for any service reconfigurations and transformation to be planned and delivered in a way that maximises opportunity for effective and proportionate member scrutiny.

6.2 According to our research, strong scrutiny support during transformation time enables councils to:

- Connect with local communities and explain risks, impact, and rationale for the transformation to residents
- Provide an assessment of the impact of change taking place and assemble a risk register
- In preparation for the change, to analyse key relationships and engage with stakeholders on ways to manage those relationships after the change has taken place
- Focus on value, quality, and performance
- Provide accountability and transparency of the process, which ultimately leads to further legitimacy of transformation plans.

6.3 Knowing this, we hope to see a strong and supported scrutiny function that would assist local authorities in transformation.

Centre for Public Scrutiny  
June 2018