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Please ask for/Gofynnwch am:
Direct line/Llinell uniongyrchol:
Email/Ebost:

LP/WLGA/MS/28-02-2020

21st February 2020
Lee Pitt
029 2046 8656
Lee.pitt@wlga.gov.uk



To all Members of the WLGA Management Sub-Committee

CLILC • WLGA

Dear Member

**Meeting of the WLGA Management Sub-Committee
Friday 28th February 2020**

I write to invite your attendance at the forthcoming **WLGA Management Sub-Committee** meeting which is being held on the morning of Friday 28th February 2020 at the [Novotel Cardiff Centre, CF10 4RT](#).

Parking will be available at the Hotel.

Please note: Item 5 WLGA Corporate Support Improvement is an EXEMPT paper and only for circulation to Members of WLGA Management Sub-Committee and not for wider distribution.

Should you require anything further, please do not hesitate to contact me.

Thank you.

Yours sincerely,

Lee Pitt
Democratic Services Officer
Welsh Local Government Association

Dr Chris Llewelyn
Prif Weithredwr
Chief Executive

Cymdeithas Llywodraeth
Leol Cymru
Tŷ Llywodraeth Leol
Rhodfa Drake
CAERDYDD CF10 4LG
Ffôn: 029 2046 8600

Welsh Local Government
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Local Government House
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wlga.cymru
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@WelshLGA

**Croesawn ohebiaeth yn y Gymraeg a'r Saesneg a byddwn yn ymateb i ohebiaeth yn yr un iaith.
Ni fydd defnyddio'r naill iaith na'r llall yn arwain at oedi.**

**We welcome correspondence in Welsh and English and will respond to correspondence in the same language.
Use of either language will not lead to a delay.**



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WLGA Management Sub-Committee Meeting

Novotel Cardiff Centre, CF10 4RT

10:30 – 13:00

Friday 28th February 2020



AGENDA

1. Welcome and apologies for absence
 2. WLGA Forward Programme
 3. Recent Flood Events
 4. WLGA Draft Budget **2020-21**
 5. WLGA Corporate **Support** Improvement **EXEMPT ITEM**
 6. National Support for Local Authorities
 7. Local Government & Elections (Wales) Bill **Verbal update**
 8. Brexit Update / Shared Prosperity Fund
 9. Coronavirus Update
 10. Oral Item: WLGA Manifesto & Assembly Elections 2021
 11. Discussion: Review of Strategic Partnerships
 12. Any other business
- 13:00 Lunch



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WLGA FORWARD PLAN

Purpose

1. To provide members with a rolling three-month view of the work programme of the WLGA's Council, Executive Board, Management Sub Committee and other political and WLGA meetings.

Background

2. The WLGA Political Group Leaders and Deputy Presiding Officers met in January to discuss WLGA business and other matters. They agreed that the WLGA should publish a Forward Plan of political meetings to inform members of forthcoming business and the likely timing of key decisions.
3. The Forward Plan is one of several changes designed to improve the planning of WLGA business, including, additional Group Leader briefings and meetings and proposals to hold more WLGA political meetings across Wales.
4. The Forward Plan will provide a three-month rolling indicative view of the WLGA's main committees and will be updated and presented to each future WLGA political meeting.

Recommendations

5. Members are recommended:

5.1 To note and consider the Forward Plan.

Report Author: Daniel Hurford, Head of Policy (Improvement and Governance)
Tel: 02920 468615
Email: Daniel.hurford@wlga.gov.uk

WLGA Executive Board – 31st January 2020

| Item | Summary/Purpose |
|---|---|
| Local Government & Elections (Wales) Bill | Update members on progress and seek views on CJC footprints |
| Civility in Public Life Campaign | Update members on progress and seek views on priority actions |
| Brexit Update | Standing Item – to update members of latest developments/implications |

Other Meetings

- Finance Sub-Group – 5th February
- Social Services Policy Group and Learning Event on Looked After Children – 19th and 20th February

UK Government/Welsh Government Announcements

- WG Budget and Final Local Government Settlement – 25th February

WLGA Management Sub-Committee – 28th February 2020

| Item | Summary/Purpose |
|---|---|
| Local Government & Elections (Wales) Bill | Standing Item - Update members on progress of Bill |
| Brexit /Shared Prosperity Fund Update | Standing Item – to update members of latest developments/implications and to consider WLGA position in relation to consultation on SPF from UK Government (expected imminently) |
| Chief Digital Officer and Improvement Support | To update on latest position |
| Assembly Elections 2021 | Consider engagement strategy and emerging priorities for WLGA Manifesto |
| WLGA Accommodation Review | To update on latest position |
| WLGA Budget | Budget proposals and subscription levels for 2020-21 |
| Flood Emergency | A report on the recent flood events and local authorities' needs for financial support |
| Coronavirus | Update report on issues for local authorities |

Other Meetings

- Diversity in Democracy Working Group - TBC
- WLGA/OVW Working Group – TBC
- Safer Communities Board – 5th March
- Regional Waste Cabinet Member meetings – 5th-12th March
- Equality Cabinet Members Network – 9th March
- Education Cabinet members Network – 10th March
- Local Government (Partnership Council) Sub-Group – 11th March
- Community safety Cabinet members Network – 17th March
- WLGA Rural Forum – 19th March
- LGA Pay Consultation Event – 24th March
- Workforce Partnership Council – 25th March
- Partnership Council - 25th March

Council – 27th March 2020, Conwy Council

| Item | Summary/Purpose |
|---|--|
| Local Government & Elections (Wales) Bill | Standing Item - Update members on progress of Bill |
| Brexit /SPF Update | Standing Item – to update members of latest developments/implications |
| Diversity in Democracy | Consider report of WLGA member working group and recommendations ahead of 2022 local elections |
| Response to Welsh Government Circular Economy Strategy consultation | To consider WLGA's response to WG consultation on moving to zero waste by 2050 |
| WLGA Budget | For endorsement in accordance with Constitution |
| Local Government Settlement and UK Government Budget | Finalised brief on LGF Settlement plus anything that comes from UKG budget |
| Social Services Update | Update on a number of social services issues |
| Refugee Resettlement | Overview of Wales' contribution to refugee resettlement schemes |

Other meetings

- WLGA Audit Committee – 9th April
- Highways & Transport Cabinet Members' meeting – 22nd April
- WLGA Management Sub Committee – 24th April
- Ministerial Waste Programme Board – 29th April
- Economic Development Cabinet Members' meeting – April/May (to be confirmed)



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28th February 2020

RECENT FLOOD EVENTS AND FLOOD SUMMIT

Purpose

1. This report covers the recent severe flooding events in North, Mid and South Wales and provides feedback from the Flood Summit called by the First Minister on 19th February.

Background

2. Over the weekend from 8th to 10th February Storm Ciara landed in Wales, with North Wales experiencing the worst of the weather. Some of the strongest winds were recorded at Aberdaron in Gwynedd, where gusts reached 93mph. Gwynedd also experienced heavy snow which resulted in several cars being trapped. Parts of North Wales experienced as much rain in a day as they would normally in the month of February. The town of Llanrwst and a number of other parts of Conwy were badly flooded. A caravan park in St. Asaph, Denbighshire, had to be evacuated. Rivers were at high levels (17 flood warnings were in place) and trees were brought down across Wales. Other parts of North Wales, such as Bangor-on-Dee in Wrexham have also been badly affected.
3. At one point, more than 8,500 properties were without power. The Conwy Valley rail line was closed and rail replacement bus services were operating on routes between Machynlleth to Pwllheli and across Mid Wales from Shrewsbury to Aberystwyth. At the time of writing further heavy rain is forecast for North Wales – with some places possibly having another 100mm (4 inches) of rain.
4. The storm also affected South Wales with, for example, stretches of the M4 closed for high winds. A second storm, Storm Dennis, which developed the following weekend has had its greatest impact in the south of Wales and parts of Mid Wales. The heavy rainfall has contributed to a number of landslides across the area.
5. A major incident was declared with more than 20 flood warnings and actual instances of flooding which forced many residents to be evacuated from their homes. Many businesses have also been affected. On the Treforest Industrial Estate in Rhondda Cynon Taf, which has been particularly badly affected, over 90% of businesses experienced flooding causing extensive damage and placing over 400 jobs at risk.

6. In the case of both storms, local authorities have been central to efforts, along with partners, to deal with the outcomes and assist local residents. This has involved a wide range of activity from finding alternative temporary accommodation for residents, to assisting with clear-up operations, implementing road closures, undertaking emergency repairs and assessing dangerous structures. At some point, efforts will switch to recovery and repair. It is clear that this will be a long and expensive operation throughout Wales.

Flood Summit 19th February 2020

7. The First Minister called a Flood Summit on 19th February. Local authority Leaders and Chief Executives were invited, along with Natural Resources Wales (NRW), the emergency services, WCVA, Federation of Small Businesses (FSB), Dwr Cymru, the Wales TUC and the insurance sector.
8. At the meeting updates were provided by the First Minister, Cllr Andrew Morgan on behalf of the WLGA and by a number of other Leaders. NRW, the FSB, WCVA and the emergency services also provided updates from their perspectives.
9. Key points arising from the meeting were as follows:
 - The First Minister indicated that the £10m of assistance he had already announced was just the start of the financial assistance that will be made available.
 - Local authorities were asked to submit estimates of the capital and revenue costs they expect to incur so that an all-Wales picture can be assembled. The revenue costs can be picked up subject to the terms of the Emergency Financial Assistance Scheme (EFAS). Capital costs for flood prevention works can be discussed with the Welsh Government's Flood team. Business cases and preparatory works can receive 100% funding.
 - The cost of discretionary rate relief provided for businesses can be included as part of the costs incurred.
 - Under EFAS guidance, LAs need to register flood incidents with WG even if costs are below the threshold as these costs can accumulate over a number of incidents.
 - Once the full scale of financial support required is clearer, Welsh Government will be better placed to decide on the most appropriate ways of meeting demand.
 - Given the circumstances, the thresholds in the EFAS may be reviewed in light of feedback received from LAs. Other potential sources of financial assistance will also be investigated by the Welsh Government.
 - It is planned to use the Discretionary Assistance Fund (DAF) to assist individuals in need of financial assistance.
 - DAF will supplement any funds offered to residents by local authorities themselves and the aim is to achieve co-ordination in the delivery of such support.

- Flexibility over spending of funding into next financial year was requested by local authorities and this will be looked into by the Welsh Government.
 - Business Wales have more people on the front line to deal with calls for assistance. Businesses can be pointed in their direction for support.
 - 'Flood Re' ([Flood Re - A flood re-insurance scheme](#)) is an important source of assistance in terms of helping people secure their insurance in flood risk areas.
 - A multi-agency debrief exercise was recommended.
 - There was also a call for existing flood defences to be reviewed in light of the small margins by which many coped on this occasion.
 - The Welsh Government will take account of contaminated waste collected by authorities during the floods in respect of meeting statutory recycling targets.
10. The Welsh Government will be contacting local authorities with further information. It will be an opportunity at this meeting to update on the latest position.

Recommendations

11. Members are asked to:

11.1 Note this report and comments on the latest position across Wales.

Report cleared by: Cllr Andrew Morgan
Spokesperson for Transport, Environment
and Sustainability

Author: Tim Peppin
Director of Regeneration and Sustainable Development
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WLGA DRAFT BUDGET 2020-21 and MEDIUM-TERM FINANCIAL PLAN

Purpose

- 1 To update Members on the WLGA's 2020-21 Draft Budget proposals and the Medium-Term Financial Plan (MTFP) to 2023-21, and to propose the subscription level for 2020-21.

Background

- 2 Over recent years, the WLGA has implemented a number of cost reduction schemes, including 9 voluntary redundancies, in order to manage budget pressures. These measures have stood the Association in good stead for 2020-21. However, with increased workforce costs, budget pressures will increase again in future years so further efficiencies and savings will be required.
- 3 The WLGA also has ambitions to re-focus activity, enhance wider engagement and provide more support to Members. The budget and MTFP presented here reflect the shifts required to enable the organisation to work towards achieving these ambitions.

The WLGA Draft Budget 2020-21 and Medium-Term Financial Plan (MTFP) to 2023-24

- 4 The detailed 2020-21 Draft Budget is set out in **Annex 1** and the summary table below demonstrates the impact of a 3% increase in subscriptions. This meets the budget pressures and is in line with the lowest local government revenue settlement increase received by a member authority.
- 5 **Employee-related expenditure** – The pay award for 2020-21 and beyond has not yet been agreed so an assumption of 2% for pay growth has been included within the budget and MTFP to 2023-24.
- 6 **Pension Fund** - The latest triennial pension fund valuation shows that the WLGA's pension fund is now in surplus, largely due to investments out-performing actuarial assumptions made at the previous valuation. This means that employer contributions have reduced from 27.6% of gross salaries to 17.6%.
- 7 **Premises expenditure** – Office accommodation costs are estimated to rise slightly with inflation over the period. Any potential costs or savings associated with the accommodation review currently being carried out (the

current lease of Local Government House comes to an end in September 2021) have not been included in the current MTFP. The Full Business Case for the accommodation review is expected later this year and will provide the evidence base for future savings (and upfront costs) which will then be reflected in the next iteration of the MTFP.

- 8 **Member Services expenditure** – This budget line sets out the costs of the regular WLGA political meetings but does not include any officer support costs (democratic officer and political assistant posts) which are included within Employee costs.

| | Draft Budget 2020-21 | Draft MTFP 2021-22 | Draft MTFP 2022-23 | Draft MTFP 2023-24 |
|---|---------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | £ | £ | £ | £ |
| Employee costs | 2,661,000 | 2,725,000 | 2,797,000 | 2,859,000 |
| Premises costs | 372,000 | 374,000 | 376,000 | 378,000 |
| Member Services | 59,000 | 60,000 | 61,000 | 62,000 |
| Supplies and Services | 100,000 | 100,000 | 100,000 | 100,000 |
| Internal Recharges | -229,000 | -200,000 | -200,000 | -200,000 |
| ICT | 197,000 | 197,000 | 197,000 | 197,000 |
| Other Costs | 304,000 | 264,000 | 264,000 | 264,000 |
| SLA | 6,000 | 6,000 | 6,000 | 6,000 |
| TOTAL EXPENDITURE | 3,470,000 | 3,526,000 | 3,601,000 | 3,666,000 |
| INCOME | 3,418,000 | 3,418,000 | 3,418,000 | 3,418,000 |
| Budget Surplus / Shortfall (-) | -52,000 | -108,000 | -183,000 | -248,000 |
| Transfer to / from (-) Reserves | -52,000 | -108,000 | -183,000 | -248,000 |
| Budget Surplus / Shortfall (-) after adjustments to Reserves | 0 | 0 | 0 | 0 |

- 9 **Supplies and services expenditure** – All supplies, services sources and contracts are the subject of on-going review to ensure the Association achieves value for money across these areas.
- 10 **Internal Recharges** – A detailed review of all costs related to employing, managing and hosting people within the organization, along with organisational overheads has been undertaken in 2019-20. This figure reflects the contribution from grant funded teams towards these costs. The aim is to ensure that all income streams bear a fair share of the organisational overheads. For some grant teams, a lower figure has been agreed with funders.
- 11 **ICT Expenditure** – There are two ICT contracts covered by this budget line: the provision of basic ICT systems and support through Cardiff Council and the cost of 'Saffron', the system that supports the Food in Schools

initiative. Both contracts have been reviewed within the last three financial years.

- 12 In addition to this, the WLGA now contracts with Cardiff Council to support compliance with the General Data Protection Regulations (GDPR) at a cost of £9,100 each year.
- 13 **Other Costs** – The £30,000 WLGA contribution to the Safer Communities Project (a collaboration between local government, the Welsh Government and the four Police and Crime Commissioners) and the £20,000 contribution to Wales Fiscal Analysis to support their research into public finances in Wales are both continued into 2020-21. An additional £25,000 has been included to fund additional support to enhance the WLGA's European function. Other budget lines have largely been held flat in cash terms and will be reviewed alongside Supplies and Services with a view to releasing further savings.
- 14 **Service Level Agreement** – This reflects the current costs of the payroll function provided by Cardiff Council.
- 15 **Income** – The WLGA Council has previously agreed that the WLGA subscriptions would match the overall change in the local government revenue settlement. The table above and the more detailed budget set out in Annex 1, shows Members the results of a 3% increase in WLGA subscriptions for 2020-21, in line with the lowest local government revenue settlement increase received by a member authority. A flat cash position is assumed for subscriptions for future years in the MTFP.
- 16 **Reserves** – The proposed subscription levels result in a slight shortfall for 2020-21, along with a planned draw down of reserves to fund the National Dietician for Special Diets in Schools post on a fixed term contract. This is funded by accumulated underspends from this ring-fenced income.
- 17 The remainder of the MTFP shows a return to a deficit position before any increases in subscriptions, or future savings. Over the three-year period of the MTFP the Association proposes to use £584,000 of reserves (recommendation 18.2) to smooth out income and support proposed expenditure. Any recurring savings or additional income that will be realised in the future will reduce the need to draw down reserves beyond 2020-21. This includes the net benefits that will accrue from the Office Accommodation review.

Recommendations

- 18 **Members are asked to agree the Draft 2020-21 budget, the Medium-Term Financial Plan, and specific recommendations:**
 - 18.1 **Support the proposed increase to WLGA subscriptions for 2020-21 by 3%; and,**
 - 18.2 **Agree to the use reserves to smooth out expenditure over the 3-year period until savings are realised.**

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ANNEX 1

| | Draft Budget 2020-21 | Draft MTFP 2021-22 | Draft MTFP 2022-23 | Draft MTFP 2023-24 |
|--------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| | £ | £ | £ | £ |
| Expenditure | | | | |
| Salaries including on-costs | 2,566,000 | 2,630,000 | 2,702,000 | 2,764,000 |
| Recruitment & Advertising | 5,000 | 5,000 | 5,000 | 5,000 |
| Travel & Subsistence | 65,000 | 65,000 | 65,000 | 65,000 |
| less Provision for vacancies | -15,000 | -15,000 | -15,000 | -15,000 |
| Staff training | 20,000 | 20,000 | 20,000 | 20,000 |
| Early retirements | 20,000 | 20,000 | 20,000 | 20,000 |
| Employee related costs | 2,661,000 | 2,725,000 | 2,797,000 | 2,859,000 |
| Rent | 215,000 | 215,000 | 215,000 | 215,000 |
| Rates | 60,000 | 61,000 | 62,000 | 63,000 |
| Service charge | 18,000 | 18,000 | 18,000 | 18,000 |
| Lift maintenance | 6,000 | 6,000 | 6,000 | 6,000 |
| Repairs | 13,000 | 13,000 | 13,000 | 13,000 |
| Office cleaning | 16,000 | 16,000 | 16,000 | 16,000 |
| Utilities | 27,000 | 28,000 | 29,000 | 30,000 |
| Security & fire | 5,000 | 5,000 | 5,000 | 5,000 |
| Furniture & Equipment | 2,000 | 2,000 | 2,000 | 2,000 |
| Building maintenance fund | 10,000 | 10,000 | 10,000 | 10,000 |
| Premises related costs | 372,000 | 374,000 | 376,000 | 378,000 |
| Advisers expenses | 1,000 | 1,000 | 1,000 | 1,000 |
| Meetings & catering | 20,000 | 20,000 | 20,000 | 20,000 |
| Members' expenses | 33,000 | 34,000 | 35,000 | 36,000 |
| Committee translation | 5,000 | 5,000 | 5,000 | 5,000 |
| Member services | 59,000 | 60,000 | 61,000 | 62,000 |
| IT consumables | 5,000 | 5,000 | 5,000 | 5,000 |
| Telephones/mobiles | 23,000 | 23,000 | 23,000 | 23,000 |
| Postage | 5,000 | 5,000 | 5,000 | 5,000 |
| Printing | 12,000 | 12,000 | 12,000 | 12,000 |
| Stationery | 8,000 | 8,000 | 8,000 | 8,000 |
| Audit fees | 12,000 | 12,000 | 12,000 | 12,000 |
| Insurance | 19,000 | 19,000 | 19,000 | 19,000 |
| Books/publications | 2,000 | 2,000 | 2,000 | 2,000 |
| Subscriptions | 14,000 | 14,000 | 14,000 | 14,000 |
| Supplies & services | 100,000 | 100,000 | 100,000 | 100,000 |
| Internal charges | -229,000 | -200,000 | -200,000 | -200,000 |
| ICT outsourcing | 188,000 | 188,000 | 188,000 | 188,000 |
| GDPR Compliance | 9,000 | 9,000 | 9,000 | 9,000 |
| ICT | 197,000 | 197,000 | 197,000 | 197,000 |
| Communication/events | 60,000 | 60,000 | 60,000 | 60,000 |
| Research | 40,000 | 40,000 | 40,000 | 40,000 |
| Translation | 25,000 | 25,000 | 25,000 | 25,000 |
| Payments to Data Cymru | 40,000 | 40,000 | 40,000 | 40,000 |
| Wales Fiscal Analysis | 20,000 | 20,000 | 20,000 | 20,000 |
| Safer Communities Project | 30,000 | 30,000 | 30,000 | 30,000 |
| Other expenditure | 55,000 | 15,000 | 15,000 | 15,000 |
| WLGA conference | 30,000 | 30,000 | 30,000 | 30,000 |
| WLGA website | 4,000 | 4,000 | 4,000 | 4,000 |
| Other costs | 304,000 | 264,000 | 264,000 | 264,000 |

| | Draft Budget 2020-21 | Draft MTFP 2021-22 | Draft MTFP 2022-23 | Draft MTFP 2023-24 | (Cont.) |
|--|----------------------------|--------------------------|--------------------------|--------------------------|---------|
| | £ | £ | £ | £ | |
| Payroll charges | 6,000 | 6,000 | 6,000 | 6,000 | |
| Service Level Agreements | 6,000 | 6,000 | 6,000 | 6,000 | |
| Total expenditure | 3,470,000 | 3,526,000 | 3,601,000 | 3,666,000 | |
| Income | | | | | |
| Subscriptions | 2,097,000 | 2,097,000 | 2,097,000 | 2,097,000 | |
| WLGA conference | 15,000 | 15,000 | 15,000 | 15,000 | |
| Sponsorship | 10,000 | 10,000 | 10,000 | 10,000 | |
| Other income | 40,000 | 40,000 | 40,000 | 40,000 | |
| Recharges to Data Unit | 10,000 | 10,000 | 10,000 | 10,000 | |
| ADEW support | 30,000 | 30,000 | 30,000 | 30,000 | |
| Youth Policy officer support | 10,000 | 10,000 | 10,000 | 10,000 | |
| SWT support | 30,000 | 30,000 | 30,000 | 30,000 | |
| Top slice retained | 1,132,000 | 1,132,000 | 1,132,000 | 1,132,000 | |
| Property income | 44,000 | 44,000 | 44,000 | 44,000 | |
| Income | 3,418,000 | 3,418,000 | 3,418,000 | 3,418,000 | |
| Budget Surplus / Shortfall (-) before adjustments to Reserves | -52,000 | -108,000 | -183,000 | -248,000 | |
| Total Transfers To / From (-) Reserves | -52,000 | -108,000 | -183,000 | -248,000 | |
| Budget Surplus / Shortfall (-) after adjustments to Reserves | 0 | 0 | 0 | 0 | |

NATIONAL SUPPORT FOR LOCAL AUTHORITIES**Purpose**

1. To update members on the progress of proposals for additional national support for local authorities within the WLGA.

Background

2. The WLGA hosts several officers and teams who coordinate national projects or provide guidance or support to local authorities, including the National Autism Team, Wales Strategic Migration Partnership, the Supporting Service Children in Education Project, National Exercise Referral Service, School Holiday Enrichment Programme and the Waste Improvement Programme. These programmes and projects are funded through Welsh and UK Government funding.
3. The WLGA is developing proposals for wider national improvement support for local authorities with the Welsh Government. As reported to members previously, the Minister for Housing and Local Government has been particularly supportive and has committed to investing in additional capacity to reinstate sector-led improvement and support within the WLGA.
4. The following report provides updates on developing and emerging proposals for:
 - Local Government Chief Digital Officer and Delivery Unit
 - Local Government Improvement Support
 - A Joint Inspection team (fire and building safety)
 - A Safer Communities Network for Wales

Local Government Chief Digital Officer and Delivery Unit

5. Members have previously been informed of the development of a business case for the appointment of a local government Chief Digital Officer and team. The business case was developed by SOCITM, WLGA and the Welsh Government, with support from SOLACE and Cllrs Peter Fox and Neil Prior, WLGA Digital Spokesperson and Deputy Spokesperson.
6. The Welsh Government has announced annual grant funding of £500,000 for 3 years (2020-23) to recruit a Chief Digital Officer and team. Grant letters and conditions have not as yet been agreed, however, there has been agreement to begin the recruitment of a Chief Digital Officer. The process has initially been delayed due to discussions over the salary level and it has been agreed to advertise the post at the senior WLGA Director level of £80-85k to ensure a recruitment of a suitably experienced candidate.
7. The Welsh Government are also currently recruiting for a Chief Digital Officer (advertised at £92k) and NHS Wales will shortly be recruiting. The Welsh

Government is also establishing a Centre for Digital Public Services for Wales, which will provide cross-sector support for digital, including leadership development.

8. The WLGA will be appointing a specialist recruitment agency by the end of February, with a view to appointing a Chief Digital Officer (CDO) by the Summer.
9. The Local Government CDO will provide strategic leadership on the digital transformation agenda for local government across Wales, working closely with CDOs and SOCITM, as well as other Welsh public sector CDOs, to identify opportunities for joint working and collaboration. The CDO will:
 - Strengthen and support the CDO network in Wales;
 - Develop and implement a Digital Strategy for local government in Wales;
 - Support the embedding of common digital standards;
 - Drive digital innovation, identifying and ensuring the effective implementation of all Wales digital projects;
 - Support the building of digital capabilities across local government to address digital skills needs within local government and ensure talent is developed and retained; and
 - Use technology to increase the use of the Welsh language.
10. The CDO will be supported by a small team to provide technical and project management capabilities and will:
 - Support the development and delivery of digital projects across local authorities, in particular common solutions and collaborative projects;
 - Promoting and encouraging digital standards and common approaches;
 - Promoting the development of innovative technology and improvements in online services to streamline service delivery and improve customer services;
 - Promoting and sharing good practice;
 - Providing resource and skills for local authorities to draw on;
 - Assisting with support on the management of digital contracts and the procurement and re-procurement of digital services;
 - Establishing a digital skills directory so that information is held about who does what and where and to identify any skills gaps; and
 - Exploring the establishment of a cloud based collaborative platform.

Local Government Improvement Support

11. The WLGA has a long-track record of promoting and supporting self and sector-led improvement in Wales. Sector-led improvement is recognised as an effective approach to driving, owning, sharing and sustaining improvement within local government and is an established approach in Wales, England and Scotland.
12. The WLGA's Corporate Strategy 2019 outlines the WLGA's commitment to:
 - "Promoting sector-led improvement, with an emphasis around digital and innovation, supporting authorities in sharing best practice, developing workforce skills and developing a new corporate Peer Challenge programme.
 - Promoting the role and prominence of councillors and council leaders, emphasising their equal democratic mandate with national politicians.

- Encouraging a vibrant local democracy, promoting greater diversity and enhanced democratic engagement and supporting councillors' development and training.
- Supporting authorities to effectively manage their workforce through our role as the Employers' Organisation."

13. The Local Government and Elections (Wales) Bill will introduce a new performance framework for local government, repealing the Wales Programme for Improvement and performance provisions of the Local Government (Wales) Measure 2009. The new arrangements will be streamlined and based on principles of self and sector-led improvement, based on self-assessment and peer (or panel) assessment. The Bill also introduces new duties around public participation and reform to governance arrangements.
14. Alongside the reforms, the Minister for Housing and Local Government has committed to providing improvement support to the sector, through a reinvestment in improvement capacity and coordination through the WLGA. This commitment has been universally welcomed by local government.
15. An outline improvement proposal has been supported by Cllrs Hugh Evans and Ray Quant, as WLGA Improvement Spokesperson and Deputy and Cllr Neil Prior, WLGA Deputy Digital Spokesperson, in his capacity as Deputy Chair of the LGA's Innovation and Improvement Board.
16. The Welsh Government has agreed, in principle, to provide £800,000 grant funding from 2020-21. Grant letters and conditions have not been agreed as yet and the £800,000 figure is based on in-kind match funding which has been calculated through existing WLGA and Data Cymru commitments to improvement, as well as estimated in-kind commitment from local authority peers.
17. There are also further ongoing discussions with Welsh Government departments regarding proposals for potential additional grant funding to support improvement for education and social services.
18. The WLGA's improvement support will seek to balance local authorities' improvement needs and priorities with a wider strategic agenda for collective improvement, as well as preparing for and supporting the Welsh Government's legislative reforms for local government performance.
19. The WLGA improvement programme will provide a mix of 'universal improvement support' available to all local authorities through to bespoke, specific' improvement support requested by authorities in response to particular local priorities or improvement challenges.
20. There will be a balance of proactive improvement activity as well as reactive support for councils with governance or service challenges and the broad themes and activities will be:
 - **Local democracy, good governance and leadership** – member, officer and leadership capacity, capability and development.

- **Financial Management and Resilience and Service Transformation** – focus on financial resilience, collaboration support, open data (through Data Cymru) and transformation.
- **Self and Peer Assessment, Challenge and Support** – supporting benchmarking, and the new statutory self-assessments and peer reviews through the Bill (we'll be working closely with the LGA on this).
- **Improvement Capacity and Support** – targeted support to individual authorities facing particular governance or service challenges.

21. The Draft Improvement and Support Proposal is included at Annex A. It provides an outline of a programme of support, which will be flexible and responsive to authorities' needs. Projects and themes may vary each year depending on authorities' needs, priorities or legislative developments. For example, throughout 2020-21 it is anticipated that the programme and capacity will be developed, in 2021-22 there will be a particular emphasis on supporting authorities' preparations for the new statutory improvement regime, and from 2022 a focus on supporting newly elected authorities, members and their leadership.
22. The funding will provide some additional internal capacity and resources within the WLGA and Data Cymru and several programmes may be commissioned and delivered by associates, external trainers and/or partners, such as Academi Wales.
23. It is intended that the WLGA will work closely with the LGA in developing and delivering the improvement programme. The LGA provides several improvement programmes and resources which may be transferable to Wales, including the Transformation and Innovation Exchange and the peer challenge model and peer clearing house approach. Pembrokeshire County Council has recently received a Corporate Peer Challenge in preparation for the panel assessment approach as outlined in the Bill.
24. A core focus of the programme will be developing and coordinating a cadre of officer and member peers able to provide support and challenge to other authorities (working closely with LGA).

Joint Inspection Team

25. Following the Grenfell Tower tragedy, fire safety in high rise buildings became an issue of concern and urgent steps were taken by local authorities to identify other high-rise buildings with similar Aluminium Composite Material (ACM) cladding or other dangerous cladding. This work was coordinated by the Welsh Government in Wales. Many of these buildings are privately owned and local authorities (where the building is located) hold the statutory responsibility for bringing enforcement action on building owners under the Housing Act 2004. However, local authority staff have limited experience in making hazard assessments in relation to high-rise buildings with external cladding, and in taking enforcement action to ensure it is identified and remediated. There is also scope for confusion over the parts of any building which may be covered by Fire Safety requirements.
26. In England, the Department for Housing, Communities and Local Government and LGA recognised that a Joint Inspection Team (JIT) could greatly assist local authorities in carrying out assessment of hazards and in enforcing remedial actions required. The JIT supports local authorities in conducting full, comprehensive expert Housing,

Health and Safety Rating System (HHSRS) assessments and report their findings and recommendations to the requesting local authority. Such a Team has been established by the LGA (and carries out the work through the IDeA) which is made up of experienced Environment Health Officers and a Senior Building Controller with access to a fire engineer. It also involves building control resources and legal personal and will require back office support.

27. The Welsh Government wish to establish a similar Joint Inspection Team for Wales and is discussing with the WLGA the possibility of hosting the Team, with funding from Welsh Government. A multi-agency approach is being taken to scope and develop the remit and make-up of the team so that the appropriate expertise is provided, including local authorities and Fire and Rescue Services. Further updates will be provided as discussions progress.

Safer Communities Network for Wales

28. As part of its Safer Communities Programme, the Welsh Government has provisionally agreed to pump prime the establishment of a new Safer Communities Network for Wales in 2020-21, based on the well-established Scottish Community Safety Network (SCSN) model, subject to final agreement from Ministers next month. The multi-agency network will become the primary mechanism for supporting and facilitating effective partnership working around community safety, policing and criminal justice themes across Wales. It is proposed that it will initially be hosted by the WLGA while it is established, under the governance of the new Safer Communities Board. The optimum operating model will be scoped and in time it is anticipated it will become an independent not-for-profit organisation (like SCSN), benefiting from the continued support of the Welsh Government and other key stakeholders but also with the ability to generate income to fund activities.
29. The Network would work with both the Welsh and UK Governments to co-produce policy and practice that better fits the unique Welsh context. In addition to hosting an online resources library, and supporting local, regional and national strategic partnerships through the development of practitioner toolkits, training and peer support products, supporting thematic and geographic sub-networks and events, researching, evaluating and sharing effective practice and service improvement initiatives. It will also act as the voice of community safety partnerships working to influence and promote improvement and efficiency, including in the vital aspect of more sustainable resourcing for partnership working.

Recommendations

30. **Members are invited to comment on the report.**

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ANNEX 1

DRAFT IMPROVEMENT AND SUPPORT PROPOSAL

| Coordinated Sector-led Improvement and Support Approach | | | |
|---|---|---|---|
| UNIVERSAL IMPROVEMENT SUPPORT (Available to all local authorities) | | SPECIFIC IMPROVEMENT SUPPORT (Requested by individual authorities) | |
| Sector Led | | | Welsh Government |
| Proactive support | Reactive and proactive support | | |
| Leadership, collaboration and transformation Coordination of sharing of good practice exchange, resources and improvement capacity and expertise in relation to: <ul style="list-style-type: none"> Local democracy, good governance and leadership Financial resilience and transformation <i>Digital Leadership and Transformation</i> | Self and peer assessment, challenge and support Coordination and development of peer capacity within the sector to: <ul style="list-style-type: none"> support self-assessments provide peer challenge and review facilitate statutory panel assessments provide mentoring and peer support provide capacity and support to help to deal with improvement challenges or priorities | Improvement Capacity and Support Intensive and dedicated support to assist a local authority to respond to: <ul style="list-style-type: none"> emerging or initial improvement challenges concerns or recommendations identified through self-assessment or external audit or peer/panel assessment This support might be a mix of peer challenge and support or short-term additional, external capacity or expertise. This support will be deployed early enough to prevent challenges escalating at the request of an authority or where external assessments identify significant concern. | Statutory Improvement Capacity and Support Where informal support has not succeeded for those local authorities facing the most significant challenges, statutory Ministerial-led improvement support could be requested and/or provided to an authority (under the provisions of the 2009 Measure and, in future, through the Local Government and Elections (Wales) Bill). Should statutory improvement support not succeed, Ministers have further powers to provide direction. |
| Available to all local authorities | | | |

Leadership, financial resilience and transformation

Local democracy, good governance and leadership

Effective leadership is at the heart of effective democracy, effective governance and effective public service delivery. Community leadership and leadership of place is a fundamental role of local government and the WLGA is therefore committed to supporting and developing the councillors and senior officers who provide this leadership within our communities and our councils.

Local democracy and local government is only ever as effective, relevant and vibrant as the people involved in it. Given the ongoing challenges of austerity, the growing demographic pressures, continued high expectations from the public and local and regional ambitions to transform services and regenerate our communities – we need to recruit and retain, invest in and develop talented leaders at both political and officer levels

Councils already invest in developing their workforce and managerial capacity and supporting elected members. Academi Wales also provides a range of development opportunities mainly for professional managers and, as the Employers Organisation for Wales, the WLGA works closely with the LGA and unions in developing and agreeing pay and conditions.

Councils' democratic, internal and partnership governance arrangements have evolved during the past two decades, becoming more complex as expectations and standards have grown in line with successive legislative requirements and good practice and shared learning from within the sector.

The WLGA's improvement offer will seek to supplement and expand existing local and national support, coordinating bespoke local support and regional and national programmes for aspiring or current leaders, seeking to recruit the members and professional leaders of the future and providing support to promote good governance.

Objective: the supply of talented political and officer leadership continues and councillors and officers are provided with development opportunities and the support they require to become effective leaders who understand the needs of their areas, to ensure that councils are well governed, well led and well managed, and engage and work with the public and partners to improve outcomes for their communities.

Deliverables to include:

- **ENHANCED/EXPANDED – Diversity in Democracy programme 2019-22** – a 'Be a Councillor' programme of activity to talent spot, recruit and provide support to candidates in the run-up to 2022 elections. Working with political parties, partners and aligning and supporting the Welsh Government's plans, the programme will include an interactive website of resources, case studies and videos; targeted awareness raising campaigns particularly through public sector employers and the third sector; nationally coordinated local activity to talent spot and support potential candidates.

- **NEW – Supporting electoral reform** – working with SOLACE, AEA and Electoral Commission in providing development and support to electoral administration professionals to consolidate, innovate and pilot electoral reforms through the Local Government and Elections (Wales) Bill.

- **Member Development and Support** –
 - o **ENHANCED/EXPANDED** - Coordination of practice exchange and development of member development curriculum and associated resources, including the induction programme
 - o **ENHANCED/EXPANDED** - Commissioning of training and support for front-line councillors, including scrutiny members and chairs (including leadership, see below)
 - o **EXISTING** - Development and promotion of the Wales Charter for Member Development and Support, updating it in line with emerging good practice, notably emerging expectations around ‘duty of care’ and wellbeing for councillors, and any new expectations outlined in the forthcoming Local Government and Elections (Wales) Bill.
 - o **EXISTING** – Continued development of the All Wales Academy e-learning resource
 - o **ENHANCED/EXPANDED** - Induction programme – to be developed and delivered (and funded) in 2021-22/2022-23

- **Scrutiny Development and Support** – working with Heads of Democratic Services, Scrutiny Managers, the Centre for Public Scrutiny and the Wales Audit Office to deliver a programme to promote and support scrutiny’s contribution to good governance, including:
 - o **EXISTING** - Scrutiny Officers’ network to encourage good practice exchange
 - o **ENHANCED/EXPANDED** - Local and regional skills sessions and training for scrutiny committees and scrutiny chairs, including scrutiny in WBFGA, Joint Scrutiny, financial scrutiny, other themes as requested and regional Scrutiny Leadership Academies for chairs
 - o **NEW** - Support for regional shared learning, scrutiny self-assessment (based on the agreed characteristics of effective scrutiny) and peer observation of scrutiny committees, as well as scrutiny self-reflection to feed into the proposed statutory performance duty self-assessments
 - o **NEW** - Scrutiny Leadership Academy for chairs and vice chairs.

- **Leadership Development (members)** –
 - o **EXISTING** - Leadership Academy (*redevelopment of the current joint programme with LGA and already funded by Academi Wales*) – two programmes delivering the flagship leadership development programme to between 40-50 aspiring or current senior members
 - o **NEW** - Leadership Essentials – themed leadership development focusing on specific service areas or themes, available via the WLGA Cabinet Members Networks
 - o **NEW** - Cabinet development and support (including ‘top team’ work jointly with Management Teams), this is a requirement particularly following elections, or where there has been change in leadership or administration.

-

- **NEW - Leadership Development (officers)** - working with Human Resources Directors, Academi Wales, SOLACE, Society of Welsh Treasurers, CIPFA, ADEW and other relevant professional groups (social services managerial development is already available) to commission leadership development, mentoring and support to develop capability and capacity of senior officer leadership, particularly aspiring leadership and succession planning in core service areas (e.g. in

education and finance leadership (see below)) and development and support for Chief Executive appraisal (linking into the proposals included in the Local Government and Elections (Wales) Bill)

- **Citizen involvement, Public Engagement and Partnership** - support to improve the consistency and effectiveness of local authority citizen engagement and citizen involvement activities, partnership working with other sectors (PSB work more broadly is supported by Welsh Government and Future Generations Commissioner) and promotion of good practice around the Public Sector Equality Duty. Public participation is a key feature of the forthcoming Local Government and Elections (Wales) Bill and involvement is a statutory duty within the Future Generations agenda. Effective participation and involvement is a fundamental feature of a healthy democracy, good governance and service design and delivery. It is anticipated that this might evolve into collating local work into a national citizen's panel, to supplement data from the National Survey for Wales.
 - **NEW** – Guidance and support to authorities around new 'participation' powers or duties for authorities through the Local Government and Elections (Wales) Bill, including broadcasting, petitions and public engagement strategies.
 - **NEW** - Develop online training and support materials to improve the effectiveness of engagement, in areas such as survey design, questionnaire design and running focus groups. This would be supported by an advice and guidance support service provided by Data Cymru.
 - **NEW** - Support local authorities in exploring new and innovative methods of understanding citizens' views, working with academia and other experts. Areas we investigate would include text analysis and harnessing information from social media.
 - **EXISTING** - Working with One Voice Wales, WCVA and others promoting effective co-production of services with communities in asset and service transfers and alternative models of service delivery.
 - **ENHANCED/EXPANDED** - Provide support to local authorities to develop new models of citizen engagement and involvement including a Welsh approach to Nesta's 100 day challenge, a mechanism to support local authorities in undertaking customer centred service design/review and exploring practices in relation to participatory budgeting

Financial Management and Resilience and Service Transformation

Councils have always strived to improve the efficiency and effectiveness of local services and organisational functions; after a decade of austerity these are a higher priority than ever and will remain core statutory duties through the forthcoming Local Government and Elections (Wales) Bill. Councils have collaborated and have innovated, making significant efficiency savings whilst seeking service availability and quality wherever possible.

Efficiencies and productivity are key considerations in the current financial environment but transformation also means more effective, flexible, responsive services that meet the needs and expectations of the public and allows councils to reprioritise or reinvest limited resources.

The WLGA's financial resilience and transformation work will support authorities maintain this progress and will provide a range of initiatives and support, including around benchmarking, financial resilience, commissioning and procurement, collaboration, and commercialisation, complementing the WLGA's digital collaboration and transformation programme funded by the Welsh Government (TBC).

Objective: support the transformation of local service design and delivery, promoting and supporting improvements in procurement, innovation and sharing good practice in service design and delivery

- **Collaboration and Shared Services** – providing guidance and support to authorities developing, establishing or expanding collaborative services and/or governance arrangements, including:
 - **ENHANCED/EXPANDED** - Maintenance and expansion of the ‘Collaboration Compendium’, developing a more interactive online resource, expanding it to include wider public services and including key contact details to improve sharing of practice through informal direct contact, networks and good practice exchanges.
 - **NEW** - Development and updating of existing guidance (in light of expectations of the Local Government and Elections (Wales) Bill, in particular around the establishment of Corporate Joint Committees and production of a code of collaboration
 - **NEW** - Commissioning of bespoke support in development of business-cases, collaboration/shared service reviews or joint collaborative leadership development programmes where requested.
- **ENHANCED/EXPANDED - Transformation** – working with the local authority transformation network, other professional networks and partners such as Local Partnerships, Wales Audit Good Practice Exchange, NESTA/YLab, Wales Co-operative Centre and WCVA to support learning and practice through a programme of development activities in relation to:
 - **Demand Management** - customer demand for services, investments in prevention and early help and changing model of supply to support demand management
 - **New Models of service delivery** - redesigning current service delivery across services, creating a mixed economy of models and innovation and greater flexibility in service demand
 - **Digital leadership and transformation** – *this programme of activity will be delivered by a new Chief Digital Officer and delivery team funded via a separate Welsh Government grant, but will work with wider WLGA Improvement colleagues to ensure related activity is coordinated and aligned as appropriate.*
- **Open Data** – the Wales Audit Office recommends that local authorities make more open data available; progress is being made, but central support and national coordination would increase momentum and bring efficiencies:
 - **ENHANCED/EXPANDED** - Develop and maintain a bespoke ‘data hub’ facility, ensuring all authorities have the necessary infrastructure needed to make more of their data open. This would link with work being led by Welsh Government and would support the sharing of data within organisations, across organisations and across geographical boundaries. Data Cymru would provide further support to help authorities work towards consistent and comparable open data.

Objective: to improve the financial management and good governance of local authorities through developing capability and capacity, better scrutiny and the sharing of good practice to strengthen overall resilience

Working with partners including WAO, Local Partnerships, CIPFA and LGA providing a range of support to authorities including:

- **NEW – Support for Audit and Governance Committees** – coordinating and providing training and development support to a new Chairs of Audit and Governance Committee network, to deliver the reforms through the Local Government and Elections (Wales) Bill and core themes from CIPFA guidance on i) governance; risk and assurance; and iii) influencing and adding value.
- **NEW - Technical capability and capacity support** - Advisory and training, using the new Financial Management Code as an enabler and supporting a programme of regional training events for elected members and the separate *Aspiring* and *Leadership* development programmes aimed at senior finance office
- **EXISTING** - Support the continued development and roll-out of the financial sustainability project (joint WLGA, CIPFA, SWT, SOLACE and WAO);
- **NEW** - Provision of expert financial advice and assistance to authorities where requested to help address specific issues by undertaking financial health checks, providing bespoke support or finance peer challenges.
- **EXISTING - Procurement** – working with the Heads of Procurement network, coordination of collaborative procurement activity through an All-Wales Local Government Sourcing Plan and Contract Forward Plan supported by a skills development programme.

Self and Peer Assessment, Challenge and Support

Self and peer assessment have been core features of local government’s approach to improvement for the past two decades. Councils assess their own corporate and service performance against strategic and operational objectives, and identify improvements, risks and resource implications as part of their service management and strategic planning and performance management arrangements. Peer assessment or review has been developed by the LGA and WLGA and is a proven tool for improvement providing an opportunity for challenge and shared learning for the commissioning council and the peers to take back to their own councils.

The Welsh Government recognises the value of both self and peer assessment as key elements of councils’ improvement processes, incorporating both as fundamental elements of the proposed new local government performance regime in the Local Government and Elections (Wales) Bill.

Objective: councils are resilient and self-aware and are committed to and receptive of collective improvement support and critical-friend challenge provided from within the sector. Councils’ self-assessment arrangements are embedded, evidence-based, robust and contribute to good governance and leadership and are supplemented by proportionate sector-coordinated peer challenge. Mutual exchange of expert and experienced peers provides support where necessary and helps share learning, innovation and good practice.

- **NEW - Building local data skills, capability and capacity** – activity delivered in response to findings from the Wales Audit Office ‘Maturity of local government in use of data’ and experiences of the first round of Wellbeing Assessments.

- Support local authorities through a programme of capability and capacity building activities to raise the knowledge and skills around using and analysing data effectively. This will include developing and rolling out a bespoke 'Databasics' programme, designed to build understanding, confidence and skills around data. The course to be available to a range of LA staff, with elements of the programme delivered face-to-face, locally.
 - Working with Data Cymru, develop a set of bespoke, bilingual online guides covering a range of topics linked to the findings of the WAO report. These would include summary statistics, presenting data, target setting and data analysis and reporting.
- **EXPANDED – Analytics and Benchmarking of performance** - expanding the use of benchmarking data to deliver efficiencies and analyse service improvement and inform self and panel assessments
 - Work with Data Cymru on benchmarking of core corporate, financial and performance data.
 - Work with Data Cymru to increase the range of local authority service area performance benchmarking and support the services to understand and use the data to make improvements locally.
- **NEW - Establishment of a 'WLGA Peer Centre'** – working with the LGA to recruit, develop, support and coordinate a 'peer network' of serving senior officers and members able to offer reciprocal advice, challenge and support to other authorities both informally, as part of peer challenges and, possibly, as part of future statutory Panel Assessments (depending on how these develop through the forthcoming Local Government and Elections (Wales) Bill). This new 'peer network' will be supplemented by external expert Associates where specific expertise is required.
- **NEW - Coordination of Self-Assessment Challenge & Support** – including reciprocal 'light-touch' critical-friend peer challenge to participate in and support authorities' own self-assessments. This model is to be developed, but might involve individuals or small teams of senior member and/or officer peers being invited to provide an independent critical friend perspective as part of a self-assessment process. This approach would provide reciprocal benefit for the peers as well as authorities, providing a valuable experience and opportunity for personal development in undertaking a 'deep-dive' in another authority and learning, reflecting and sharing ideas and approaches with other senior political and professional colleagues from across Wales.
- **NEW - Coordination of Scrutiny Peer Observation & Learning** (see above)
- **NEW - Corporate Peer Challenge** – an expanded corporate Peer Challenge programme offer to local authorities, similar to the LGA. The corporate Peer Challenge offer would supplement a Panel Assessment and consider common core themes of features of a well-led, well-governed and well-managed authority. The approach could be modular to allow authorities to commission discrete, 'lighter touch' peer challenges focusing on specific aspects of an authorities' corporate arrangements where necessary (which might be requested as a stock-take a year or two following a Panel Assessment) e.g. focusing on financial planning and viability, organisational leadership and capacity or democratic services and scrutiny.

- **NEW - Service Specific Peer Challenges** – support for and coordination of core service Peer Challenges including education and social services as the two major statutory services delivered by authorities:
 - Education - further development and roll-out of the education peer challenge model which has been developed jointly and piloted with ADEW
 - Social services - working with colleagues in ADSS, Social Care Wales and Welsh Government to explore the potential for a Peer Challenge model building on the model developed by the former Social Services Improvement Agency.
- **NEW - Bespoke Peer Challenges** – coordination of peer challenges in areas at the request of local authorities which may be identified through self-assessments, for example, previous reviews have focused on equalities, economic development, planning and environmental services. These Peer Challenges would be charged for, however, would be coordinated via the peer clearing house.

SPECIFIC IMPROVEMENT SUPPORT

Improvement Capacity and Support

EXTENDED - Intensive and dedicated support will be provided to assist a local authority to respond to:

- emerging or initial improvement challenges;
- challenges or recommendations identified through self-assessment or peer/panel assessment; and
- any emerging concerns or recommendations from external audit, including feedback from Heads of Inspectorate Forum and/or Improvement Support Conference discussions.

This support might be a mix of peer challenge and support or short-term additional, external capacity or expertise. This support will be deployed early enough to prevent challenges escalating at the request of an authority or where external assessments identify significant concern.

Support will be bespoke and may involve funding for the authority to commission short-term capacity or support and will likely involve peer challenge, guidance or support (via 'Peer Clearing House' above), which might be supplemented by Associates and other external capacity as required.

A 'panel' of Associates will be maintained in addition to the WLGA Peer Centre; Associates would receive regular updates and advice from the WLGA to ensure they maintain oversight of current policy developments. The 'panel' will be regularly reviewed with periodic recruitment, to ensure the Associates remain as credible and 'current' as possible. The peer clearing house and panel of Associates will also be available to identify candidates to provide bespoke Welsh Government support to authorities where necessary.

Indicative Budget

| Programme Costs | | |
|--|-----------------|-----------------------------------|
| Local Democracy, Good Governance and Leadership | £75,000 | Staff costs |
| | £120,000 | Project Costs |
| | | |
| Self and Peer Assessment & Benchmarking | £150,000 | Staff costs |
| | £211,000 | Project Costs |
| | | |
| Finance, Open Data, Productivity and Service Transformation | £45,000 | Staff costs |
| | £119,000 | Project Costs |
| | | |
| Digital Leadership and Collaboration | | |
| | N/A | N/A - covered by a separate grant |
| | | |
| Improvement Capacity and Support | £80,000 | Staff and Associates costs |
| | | |
| TOTAL | £800,000 | |

BREXIT UPDATE / SHARED PROSPERITY FUND**Purpose**

1. This report looks at developments in the wake of Brexit on 31st January 2020 and seeks Members' views on the position WLGA and local government should take in relation to the proposed Shared Prosperity Fund.

Background

2. Brexit has been a standing item on the agenda for recent meetings of the the WLGA Council, Executive Board and Management Sub-Committee. The last report was to the Executive Board on 31st January 2020 - the day the UK exited the EU.

Developments since 31st January 2020 and the path ahead

3. On 3rd February the Prime Minister issued a statement setting out the UK Government's proposed approach to negotiations with the EU about its future relationship with the UK. It included the following:

"Any agreement must respect the sovereignty of both parties and the autonomy of our legal orders. It cannot therefore include any regulatory alignment, any jurisdiction for the CJEU over the UK's laws, or any supranational control in any area, including the UK's borders and immigration policy.

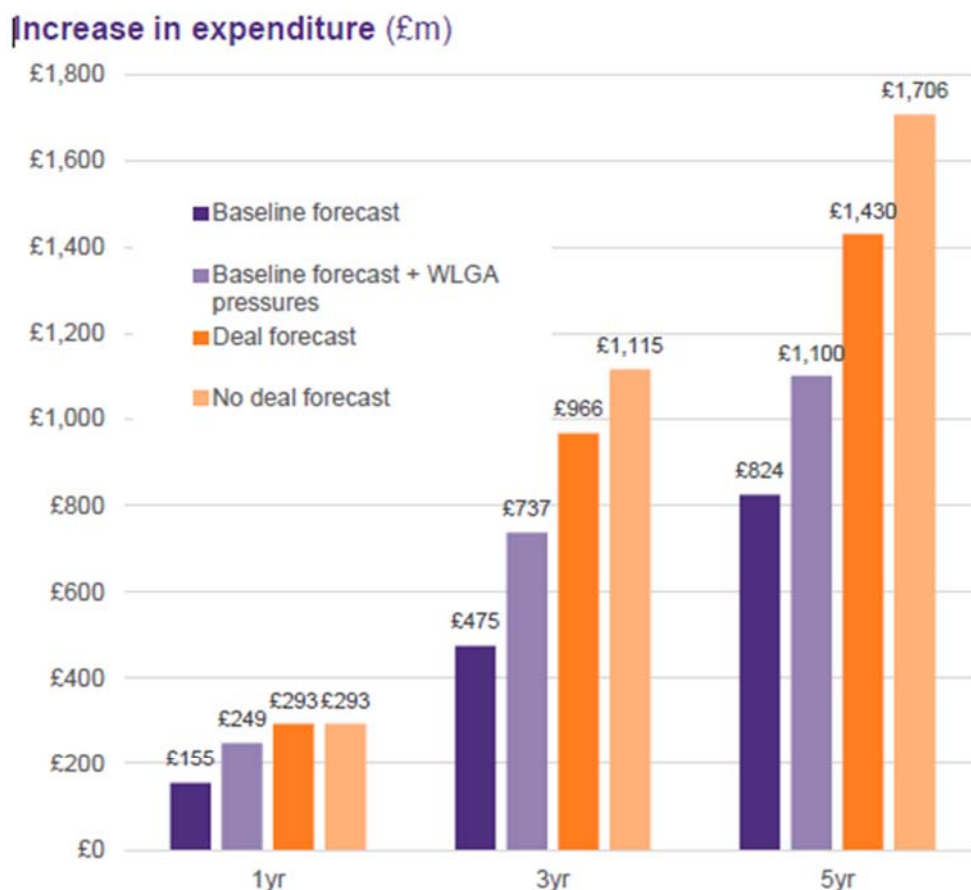
This points to a suite of agreements of which the main elements would be a comprehensive free trade agreement covering substantially all trade, an agreement on fisheries, and an agreement to cooperate in the area of internal security, together with a number of more technical agreements covering areas such as aviation or civil nuclear cooperation. These should all have governance and dispute settlement arrangements appropriate to a relationship of sovereign equals".

4. The statement makes clear that the UK will be developing its own policies in areas such immigration, competition and subsidy policy, the environment, social policy, procurement, and data protection, *"maintaining high standards as we do so"*.

5. Movement of people to and from the EU will be impacted from 1st January 2021. An *Immigration and Social Security Co-ordination (EU Withdrawal) Bill* 2019-20 was announced in the Queen's Speech on 19 December 2019. The UK Government is aiming for a single, unified immigration system that will apply to everyone who wants to come to the UK after the transition period ends. The Migration Advisory Committee (MAC) recently presented its recommendations to UK Government including lowering the proposed Tier 2 (general) visa threshold for those with job offers from £30,000 to £25,600. This reduction has been widely called for and the recommendation has been generally welcomed.
6. Significantly for local authorities, though, the MAC warned that there could still be a rise in pressures in **social care** because of a shortage of low-skilled workers being able to enter the country. It attributes this to a failure of the sector to "offer competitive terms and conditions", itself "caused by a failure to have a sustainable funding model".
7. Under the **EU Settled Status Scheme**, EU citizens who have already arrived in the UK prior to 31st December 2020 have up until 30th June 2021 to apply for settled or pre-settled status to remain in the UK.
8. There are currently four important **Bills** – Trade Bill, Environment Bill, Agriculture Bill and Fisheries Bill – going through the UK Parliament. These will set out UK Government's approach to trade deals with other countries and replace the EU's waste framework directives, common agricultural policy and common fisheries policy. Whilst assurances have been given by the UK Government, concerns have been expressed as to whether standards set by EU legislation will continue to be matched – especially if these are raised in the EU over time.
9. The outcome and content of **future trade deals** are legitimate interests for local authorities. Depending on their success, or otherwise, there could be direct effects (e.g. on the availability and prices of products that councils rely on). This could result from fluctuations in the value of the pound and/or delays at ports due to increased customs documentation checks. Stock market performance in response to the outcome of negotiations will impact, for example, on pension funds for LAs.
10. There could also be indirect effects, including (positive or negative) impacts on major local employers and their service and supply chains. These will feed through into the local labour market, in turn affecting levels of demand for a range of local government services (e.g. business support, housing and homelessness, children and family issues, mental health, substance misuse, community safety, welfare advice, trade waste). Under its Brexit support programme the WLGA is commissioning Grant Thornton to undertake research to look at the implications of the Withdrawal Agreement, including the Northern Ireland protocol, on trade flows to and from Wales. That work is about to commence and will report later this year.

11. WLGA also commissioned Grant Thornton to undertake research on the **financial impact** on Welsh local authorities if (i) a free trade deal is stuck and (ii) no trade deal is reached and we revert to WTO rules. Based on range of assumptions, Fig. 1 below shows their estimates of the impact on expenditure in years one, three and five. In the first year, due to the transition period, they anticipate only a marginal increase over and above WLGA's own current cost pressure estimates. However, once the transition period ends, the presence or absence of a free trade deal with the EU results in these differences becoming more substantial by years three and five. Both the deal and no deal scenario are shown to require additional expenditure due to higher costs, increased demands and expected impacts on specific services. They note that transformation work, efficiency savings or cuts made by local authorities would, in reality, influence actual expenditure.

Fig 1: Impact on total service expenditure (all Wales)



12. Meanwhile, the governments of the UK are working to create a range of **UK-wide common policy frameworks**. Some of these frameworks are intended to minimise barriers to trade between the UK and other countries, by offering a degree of consistency and certainty to potential future trading partners. Others deal with issues such as air quality and water quality which are inherently cross-border and where common approaches are needed. The frameworks will replace those currently set by the EU. They could involve UK legislation, subordinate legislation or could be agreed via inter-governmental memoranda of understanding or concordats. As has been the case with EU-wide frameworks, there will be scope for a degree of policy discretion at the individual nation state level.
13. Initially, the UK Government sought powers to impose these frameworks on Northern Ireland, Scotland and Wales through the EU (Withdrawal) Bill (now the EU (Withdrawal) Act 2018). In the face of considerable opposition, the UK Government amended the Bill. There is now an intergovernmental agreement on the development of frameworks signed by the Welsh and UK Governments. (Scotland is taking part in work on these frameworks but refused to sign the inter-governmental agreement). The UK and devolved governments have sought to reach agreement on the terms of these new frameworks without recourse to a provision that would allow the UK Government to 'freeze' areas of devolved competence.
14. Discussions on the frameworks have been focused on the inter-governmental processes needed to enable agreement. Whilst these *processes* are for governments to negotiate, the *outcomes* will be of crucial importance to local government in many cases. Councils will have to work within the operating environments that arise from many of the frameworks and/or carry out enforcement activity relating to some of them. **Trading Standards and Environmental Health** are particularly affected. WLGA will continue to lobby on this point and highlight the importance of local government being engaged to help inform and shape arrangements that are put in place.
15. It is clear from the above that there is still much work for local authorities to do in responding to the reality of Brexit. The WLGA continues to facilitate a high level officials group involving Welsh Government and local authorities at which these issues are discussed. The WLGA has pressed for Welsh Government to continue to support the network of Brexit coordinators that it helped to establish in 2019/20 and a decision on this is awaited. In the meantime, small grants from Welsh Government to help deal with food poverty and promotion of the EUSS have been awarded to local authorities and administered via the Brexit co-ordinators. A further grant to help with training on Export Health Certificates is currently under discussion.

Shared Prosperity Fund

16. The Shared Prosperity Fund (SPF) has been proposed by the UK Government as its replacement for EU funding once the UK is no longer eligible for financial assistance under EU Regional Policy. No details have been forthcoming as to the size of the fund available to Wales or how the funding will be allocated and managed.
17. Welsh Government has made it clear that since 1st July 1999 management of the structural funds (and the European Agricultural Fund for Rural Development) has been devolved to Wales. With economic development a devolved matter, Welsh Government has argued that funding under the SPF should be at least as much as Wales would have received had the UK remained in the EU. They believe, further, that the funds should be allocated to it to manage in Wales.
18. There has been speculation about the UK Government wanting to have greater control over the fund, potentially dealing directly with local authorities. There have also been questions raised about whether funding will be allocated on a basis of need or opportunity. The new Secretary of State for Wales, Simon Hart, has sought to allay some of these concerns and on 15th January in answer to a question in the House of Commons he stated:

...for the first time in 45 years, a substantial sum of money is going to be distributed in Wales by Welsh politicians who are directly accountable to Welsh voters. That has not been the case for some time. The Hon. Gentleman is quite right that the collaborative approach I take with the Welsh Government over the distribution of the fund should ensure that it goes to the places where it is most needed, and is not—as some might argue has been the case in the past—blown on vanity projects...my discussions with Jeremy Miles so far have been very clear about taking a collaborative approach so that the UK and Welsh Governments, working together, ensure that this money gets to the right place in a timely fashion.

19. A report was considered by the WLGA Executive Board back in November 2018 – around the time when an initial consultation on the SPF had been expected. Members then agreed a number of positions as follows:
 - **Amount:** The WLGA supported the Welsh Government case that the UK Government must honour its pledge that Wales will not lose out financially as a result of the decision to leave the EU;
 - **Allocation:** The WLGA supported the Welsh Government in arguing that Wales' share of the SPF should not be allocated via the Barnett formula and should be allocated on the basis of need;

- **Devolution:** Members agreed that a case should be made for the Fund to be devolved down to Wales and then to a regional level to support collaborative development plans of local authorities and partners;
 - **Administration:** Members called for UK Government, Welsh Government and local government to work together to agree one set of regional plans to ensure alignment and avoid duplication/conflict. They acknowledged that a local government-led regional approach would be challenging and would need appropriate governance and administration arrangements to ensure funding and partnership working are managed effectively. Wales-wide administrative and financial arrangements have been the subject of discussions at series of meetings organised by Welsh Government on Regional Investment in Wales. Administration at an all-Wales level could still be compatible with regional level collaboration and delivery.
 - **Duration:** Members called for multi-annual funding commitments to continue to be a feature of the SPF and for this support to be available in the long term, so long as it is justified on the basis of need/market failure.
 - **Rural Development and Skills funding:** Members called for clarity over future funding for skills and rural development if this is not covered adequately in the proposals for the SPF.
20. Whilst many of the above points can probably still be supported by all local authorities there are inevitably differences of opinion on some matters. For example, some might feel they would have greater access to funding if they were able to deal directly with the UK Government. Those in East Wales may well argue that now is the time for a more equitable distribution, reflecting opportunities and needs of their areas. In the recent programmes they have not been eligible for the same levels of funding as West Wales and the Valleys.
21. It is important that Members share their views on the SPF so that, as far as possible, the WLGA is able to present a clear local government view on what it would like to see from the Fund. The Secretary of State has already written to all Leaders seeking views on their priorities for Wales. The SPF will be a key source of funds to help deliver on those priorities and the debate over its operation can be part of the ongoing dialogue with the Secretary of State.
22. In addition, on 23rd April, the Welsh Affairs Committee, now chaired by Stephen Crabb MP, is planning a session on the SPF. Councillors Andrew Morgan and/or Rob Stewart as WLGA's Leader and Spokesperson have been invited to give evidence.

Recommendations

23. Members are asked:

- 23.1 To note the update on Brexit and review the previous positions taken by the WLGA in relation to the Shared Prosperity Fund, reaffirming or updating as appropriate.

Report cleared by:

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CORONAVIRUS (COVID-19)

Purpose

- 1 To provide Members with an overview and information in relation to the current Novel Coronavirus outbreak situation.

Background

- 2 A coronavirus is a type of virus. As a group, coronaviruses are common across the world. Typical symptoms of coronavirus include fever and a cough that may progress to a severe pneumonia causing shortness of breath and breathing difficulties.
- 3 Generally, coronavirus can cause more severe symptoms in people with weakened immune systems, older people, and those with long-term conditions such as diabetes, cancer and chronic lung disease.
- 4 Novel coronavirus (COVID-19) is a new strain of coronavirus first identified in Wuhan City, China.
- 5 Following the World Health Organisation declaration of a Global Health Emergency on 30th January 2020, the Wales Chief Medical Officer, alongside UK counterparts raised the UK risk level from low to moderate.
- 6 This does not mean that the risk to individuals in the UK has changed at this stage, but that government should plan for all eventualities.
- 7 At the time of writing, there were no confirmed cases in Wales.

Planning and Preparation

- 8 Work continues at a UK and Welsh Government level, and within Public Health Wales and Public Health England.
- 9 There is a clear need to provide concise and consistent messaging about the virus.
- 10 The Welsh Government [website](#) provides information to the public regarding the coordinated response to handling the virus.
- 11 For the duration of the outbreak, the Public Health Wales website will be updated daily with a [statement](#), at 15.00 hours, detailing the latest advice and guidance in relation to the virus.

- 12 On 17th February 2020, Public Health Wales made a statement which said, “We are well prepared, with robust infection control measures in place to protect the health of the public.”
- 13 The WLGA is formally linked in to planning for and preparation of, a Welsh response to the outbreak. The WLGA Director for Regeneration and Sustainable Development and the Public Protection Services Policy Officer will provide the main interface with Welsh Government and Public Health colleagues in relation to the virus.
- 14 The WLGA Director for Regeneration and Sustainable Development is already chairing an all-Wales group with senior local authority representatives from each region which maintains strategic dialogue with senior Welsh Government officials on Brexit. This group has been identified as having the potential to co-ordinate communications between Welsh Government and local authorities on issues relating to Coronavirus.
- 15 The WLGA Media and Communications officer will maintain regular contact with media and communications officers within Welsh Government and Public Health Wales for the duration of the outbreak.
- 16 On the advice of Public Health Wales, the WLGA will not produce any media or press statements in relation to the outbreak. This is to ensure no deviation from, and a strict control on public messaging.
- 17 The Public Protection Services Policy Officer maintains regular contact with the Head of Resilience in Welsh Government for operational matters. Other WLGA officers are in contact with Welsh Government officials in specific policy areas as appropriate, for example, social care.
- 18 The Public Protection Services Policy Officer also maintains day to day contact with services such as Emergency Management and Environmental Health across Wales, who, should the outbreak spread to Wales, be required to use powers under the Public Health (Control of Disease) Act 1984.
- 19 The WLGA Senior Management Team are updated on the situation weekly.

Recommendations

20 Members are asked to:

20.1 Note the content of this report.

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