

**Local Government and Public Services
Committee**

LGPS 01-04(min)

Minutes

Date: Wednesday 28 January 2004
Time: 9.30am to 12.10pm
Venue: Committee Room 2, National Assembly for Wales

Members

Lorraine Barrett	Cardiff South and Penarth
Tamsin Dunwoody-Kneafsey	Preseli Pembrokeshire
Sue Essex, <i>Minister</i>	Cardiff North
Alun Ffred Jones	Caernarfon
Mike German	South Wales East
Ann Jones, <i>Chair</i>	Vale of Clwyd
Laura Ann Jones	South Wales East
Peter Law	Blaenau Gwent
Dai Lloyd	South Wales West

In attendance

Kate Cassidy	Local Government Modernisation Division
Ian Thomas	Local Government Modernisation Division
Frank Cuthbert	Local Government Modernisation Division
Rob Hay	Local Government Finance Division
David Fletcher	Local Government Finance Division
Ruth Gow	Local Government Finance Division
Colin Everett	Head of Improvement & Development, Syniad
Sarah Titcombe	Organisational and Personal Development Advisor, Syniad
Sandy Blair	Director, Welsh Local Government Association
Clive Grace	Director General, Audit Commission in Wales

Secretariat

Adrian Crompton	Committee Clerk
Liz Wilkinson	Deputy Committee Clerk

Item 1: Introduction, apologies, substitutions and declaration of interests

1.1 The Chair welcomed Mike German to the Committee.

1.2 Apologies were received from Glyn Davies.

Item 2: Minister's report

Special Grant to increase Local Authorities' Capacity to Care for People in their Homes and Communities

2.1 The Minister said that the £19.508 million special grant to local authorities was additional to funding provided in the local government settlement for 2004-05. The intention of the grant was to assist in helping to reduce delays in transfers of care from hospitals and to fund practical measures to allow people to live independently in their own homes. Officials confirmed that spending supported by the grant in 2004-05 would need to be additional to expenditure on comparable items in 2003-04. Outturn spending information for 2003-04 would not be available until September 2004. Discussions were taking place with the WLGA to clarify terms of reference to guide the use of the special grant funding.

Other issues

2.2 The Chair was asked to consider inviting '*One Voice Wales*' to a future meeting.

Action points

Minister to provide details of the terms of reference for the use of the special grant – **Minister, Local Government Finance Division.**

Chair to consider inviting '*One Voice Wales*' to a future meeting – **Chair, Secretariat.**

Item 3: Subordinate legislation

Local Authorities (Allowances for Members of Combined Fire Authorities) (Wales) Regulations 2004

3.1 The Regulations would be debated by Plenary on 24 March and, subject to approval, would come into force on 1 April 2004. The Minister agreed to give consideration to the Committee's suggestion that a more appropriate date for coming into force would be after the local government elections in June 2004.

3.2 It was intended that the allowances would be equivalent to those paid to national park authorities, on a pro rate basis to take account of the typical hours devoted to fire authority business. The Minister agreed to provide a further note to the Committee on the calculation of allowances.

3.3 Subject to the suggested amendment, the Committee recommended approval of the draft Regulations.

Action points

Minister to provide a further note to the Committee on the calculation of allowances for members of fire authorities – **Minister, Local Government Modernisation Division.**

Item 4: Subordinate legislation

Local Authorities (Conduct of Referendums) (Wales) Regulations 2004

4.1 The Regulations would be debated by Plenary on 23 March and, subject to approval, would come into force on 31 March 2004. The Council would be required to hold a referendum within two months of the regulations being made. If the Council proposed a referendum date with 28 days either side of the date of the local and European elections on June 10, the Regulations required that the referendum date would then be moved to coincide with the elections. This requirement would not apply if an all-postal referendum were held. The Committee indicated its concern at the potential confusion that would be caused if a mayoral election referendum were held on the same day as the local and European elections.

4.2 The Minister agreed to provide a note to the Committee on the Regulation governing the combination of the referendum and local government and European elections.

4.3 The Committee noted that if the referendum vote went against an election for an elected major, a further referendum would not be permitted until 2009.

4.4 The Committee recommended approval of the draft Regulations.

Action points

Minister to provide a note to the Committee on the regulation governing the combination of the referendum and local government and European elections – **Minister, Local Government Modernisation Division.**

Item 5: Business Improvement Districts (BIDs)

5.1 The Committee considered the BIDs guidance document and consultation responses.

5.2 The following issues were raised in discussion:

- the need for pump priming from the government to help establish BIDs in their early stages,
- the need to for local authorities to be encouraged to invest in BIDs in poorer areas;

- the nature of the BIDs partnership between local authorities and businesses;
- the relationship between BIDs and existing community regeneration projects;
- the need to ensure that the views of the wider community and specific groups, such as young people, were considered when developing BIDs projects;
- the determination of the area to be covered by the BID;
- the operation of the power to veto a BID and the appeals procedure.

5.3 In response the Minister said that :

It was intended that BIDs would be self-funding with the cost of establishment being met by stakeholders.

It was generally accepted that BIDs were likely to be successful in larger urban areas. To operate successfully across Wales, it would be necessary to demonstrate how BID, or similar schemes, could be effective in smaller communities.

BIDs should complement policies and proposals on regeneration and town centre management within local authorities' Unitary Development Plans.

The area in which a BID will operate would be defined in the BID proposal or business plan drawn up by the BID board, which comprised of a number of stakeholders. Non-domestic ratepayers identified by the BID board would be liable to pay the additional levy regardless of whether they voted to accept the proposal.

The local authority would have the power to veto a BID proposal under certain circumstances. However, any ratepayer who voted on the BID proposal could appeal against the decision to the Assembly. It had not yet been decided how this appeal system would operate in practice.

Item 6: Committee inquiry into the operation of new political management structures in local government – oral evidence from Syniad

6.1 A verbatim record of this item is attached at Annex A.

Item 7: Wales Programme for Improvement (WPI)

7.1 The Committee considered a report from the Minister on the operation of the WPI. The Minister was accompanied by Sandy Blair, Director of the WLGA, and Dr Clive Grace, Director General of the Audit Commission in Wales.

7.2 In discussion, the following points were made:

For the self-driven improvement work encouraged by WPI to be effective, it required political and

managerial skill and determination. External pressure, from the Welsh Assembly Government and external regulators, was necessary to monitor and ensure these factors were in place;

The Director General of the Audit Commission was not in favour of making publicly available before the June elections, the Improvement Journey material for each local authority. Once finalised, the information would be published alongside the annual audit letters to authorities in December and, at future elections, would provide a basis on which voters could judge the performance of their councils.

Funding to the Local Government Equalities Unit was used to promote the equality agenda across Welsh local authorities and to support practical measures to implement relevant legislation.

The Director of the WLGA said that a report on the first year of operation of a scheme such as WPI was likely to identify some areas for improvement. He was confident that the effectiveness of the scheme would be demonstrated in future years as its impact became more apparent.

Item 8: Minutes of previous meeting

8.1 The minutes of the previous meeting were approved.

Members' Research and Committee Services