

Date: Wednesday 20th April 2005

Venue: Committee Room 2, National Assembly Building

Title: Local Government Plan Rationalisation

Purpose

1. In March 2004, paper LGPS 03-04(p3) '*Proposals for Plan Rationalisation.*' was presented to the Committee. This paper informs the Committee and seeks its views on the progress made so far in the rationalisation of local authority plans.

Recommendation

2. The Committee is asked to note and/or comment on the Assembly Government's proposals for local government plan rationalisation, subject to a consultation later in the Spring. I will be making a statement to Plenary on these proposals this afternoon.

Background

3. At present, we require local authorities to submit in excess of 25 plans to us over varying cycles. Most of these are service-specific in nature, and tend to focus on shorter-term business and operational planning, rather than on setting out strategic objectives and the means for their delivery.

4. The current arrangements do not work to our benefit or that of local authorities. Requiring local authorities to prepare plans may give us some evidence of authorities' commitment to particular objectives, but in most cases it does not do so particularly well, and provides no evidence at all of delivery. It creates a culture of compliance with processes rather than delivery of outcomes, both within local authorities and Assembly Government.

5. At the same time, the current requirement imposes a considerable burden on authorities and others. That is not only true in terms of cost (see paragraphs 16-18 below) but also in terms of the constraints that it creates. Authorities are in effect forced to conduct strategic, business and operational planning in a certain way to specific cycles, and are therefore limited in the extent to which they can reflect local demands and priorities, and to collaborate with other authorities and partners. That is inconsistent both with our commitment to reduce unnecessary burdens and with the need for public services to be planned and delivered in ways which meet citizens' expressed needs and local delivery structures. The result can be that either business planning is deficient or that authorities are obliged to duplicate effort to achieve an effective and responsive planning and performance management system.

6. The policy statement, *Freedom and Responsibility*, issued in 2002, committed the Welsh Assembly Government to "*moving towards a more coherent policy and planning framework for local authorities. ...the requirements [we place] upon local authorities to produce plans should be limited to strategic and cross-sectoral plans*

where these are needed to ensure consistency with national objectives and coherence between different subject areas.” That commitment was reiterated in *Making the Connections* last year, where the Cabinet agreed to implement a radical rationalisation of plans. This also has the support of the Partnership Council and was part of the basis of the efficiency gains expected of local government in the three-year budget plans announced in Autumn 2004.

Plan Rationalisation development

7. Since Spring of last year, we have been developing this vision in detail, and in collaboration with local authorities and others. That work is now complete. As a result, we propose to move to a much reduced framework of required strategies, which focus on the high-level strategic contribution that local authorities make to national and local priorities, and encourage planning on the basis of those and on the needs of citizens and communities rather than with a narrow service-specific focus. Its required components would be:

- a) the **community strategy**, setting out the overall 10-15 year vision for the communities served by each authority, developed expressly in partnership with them and with local partners, supported by each of the following:
 - (i) the **health, social care and wellbeing strategy**, setting out the local contribution to better health and wellbeing – including where appropriate the strategic commissioning and delivery of NHS and local government services;
 - (ii) a **children and young people’s strategy**, setting out the overall approach to all services for children and young people;
 - (iii) the **local development plan**, setting out the authority’s strategic vision for land use and its contribution to other high-level objectives.

Consideration

8. Of the required components detailed above, a), ai) and aiii) already exist. However, we will review the relevant statutory guidance to ensure the coherence of the overall framework, its ability to support local, regional and national long-term priorities and its consistency with the Spatial Plan and the arrangements under it for regional approaches to strategic planning. The children and young people’s strategy would be developed under our new powers in the Children Act 2004, and would equally need to conform to these principles.

Environment and sustainability

9. Part of the plan rationalisation exercise was to examine and rationalise the statutory requirements placed on local authorities. Those requirements focus most heavily on local authorities’ statutory responsibilities in relation to social care and education. While it is important that these statutory duties should have a consistent strategic planning framework, it is equally essential that local authorities themselves maintain a balanced and coherent overall planning framework, enabling them to address the social, economic and environmental well-being of their area in the round. This is vital to tackling both regeneration and sustainable development.

10. This has raised an issue about proper coverage of sustainability and environmental issues. Local authorities can make a major contribution to improving the sustainability of their communities, both in terms of the environmental services they provide and in managing their wider activities in ways which minimise environmental impact (for instance, by sustainable building and procurement initiatives). That can also have positive benefits for public health and tourism.

11. There is thus a case to be made either for requiring greater and more explicit coverage of these issues within the community strategy directly, or for creating a discrete requirement for a local environment strategy, as authorities such as Swansea have already developed. The new framework does need to give sufficient prominence to issues of sustainability and environmental impact, and I propose that we return to this issue in the light of the all-Wales environment strategy which we will publish early next year.

Implementation and Improvement tools

12. All other existing planning requirements would be lifted, as and when their current iterations expired and subject to the necessary legislation being made. **Annex A** provides an outline timetable for this. That would leave local authorities free to conduct lower-level strategic, business and operational planning as they saw fit, to respond to local priorities in doing so, and to plan and deliver jointly with partner organisations where appropriate. It would not, of course, mean an end to service planning altogether, which is central to the proper discharge of a local authority's functions and which would be subject to review and assessment by auditors under the revised Wales Programme for Improvement.

13. Additionally, authorities would be required to collect, use and report detailed performance data for all of their services, and to deliver on the targets in their policy agreements. They would also be able to draw on established best practice and the support and advice of regulators and inspectors, and of their peers. This focus on delivering outcomes rather than complying with processes is one of the strongest reasons for plan rationalisation, and one that is wholly consistent with our wider public service reform agenda in general and with the other components of the local government improvement and accountability framework in particular.

14. Implementing the proposals would not, in all cases, be quick or straightforward. Firstly, many plan requirements are founded in legislation that would need to be revoked or amended; in some cases, this will require amendments to primary legislation and, ideally, the transfer to us of powers in the Local Government Act 2000 to make such amendments. Secondly and more fundamentally, the move from an emphasis on plans to an emphasis on outcomes will require significant shifts in working practices and cultures here, in local authorities and by regulators. I am confident that the will exists to achieve this.

15. I believe that this structure would fully discharge the commitments we have made. It strikes a fair and proper balance between relieving authorities of undue burdens and allowing them to plan to meet local needs on the one hand, and maintaining a strong system of reporting and accountability on the other. I invite colleagues' approval of it, subject to which I intend to make a statement to Plenary this afternoon, followed by a formal consultation.

Financial Implications

16. There are no financial implications arising directly from this paper.
17. It is difficult to estimate precisely the costs that arise from the current set of plan requirements. However, it is clear that such costs fall into four broad categories:
- (a) direct staff costs of local authority officers involved in preparing plans, and of Assembly officials responsible for issuing guidance on them and in some cases scrutinising, monitoring and approving them;
 - (b) the cost to authorities of supporting scrutiny and approval of plans by elected members;
 - (c) other direct costs to authorities, for instance, the cost of printing and publishing plans;
 - (d) opportunity costs to authorities and the Assembly in diverting resources away from front-line service delivery or other priorities.
18. Overall, the costs of the current system to the Assembly and to local government probably run well into eight figures; it is impossible to be more precise at this stage, although further work will be done in this area. Rationalising the current system would not necessarily release all of those costs in cash terms, particularly since local authorities would still be obliged to plan their services effectively. However, authorities would be able to make efficiency savings by adopting a planning system that was more closely aligned with actual local and national priorities and redeploying staff accordingly.

Cross-cutting Themes

19. The plan rationalisation programme Board and sub-groups have included the following representatives: Assembly Government Directors and officials, the voluntary sector, Audit Commission, Local Government Data Unit and other stakeholders. These individuals will be providing the list of stakeholders who should receive the formal consultation. Terms of Reference also contained a requirement to consider equality of opportunity and sustainable development throughout the plan rationalisation process.

Action for Subject Committee

20. The Committee is invited to note the proposals for local government plan rationalisation, subject to a consultation later in the Spring, 2005.

Sue Essex

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Annex – current plan requirements

Notes:

Statutory basis

- P - Primary and or/non-devolved legislation
- P(S) – Primary and/or non-devolved legislation but Assembly has powers to remove
- S - Assembly Subordinate legislation
- G - Statutory guidance
- N - No statutory basis

Funding:

- C - Core from within main revenue settlement
- G – Assembly Grant
- O – Other

In new framework:

- Prescribed Coverage in:
- CS - Community Strategy
- CYP - Children and Young Peoples' Plan
- HSC - Health, Social Care and wellbeing Strategy
- LDP - Local Development Plans

Other mechanisms:

- GC - Grant Conditions
- PA - Policy Agreements
- PI - Performance Indicators
- R&I - Regulation & Inspection
- WPI - Wales Programme for Improvement

Title	Next Due	Target Date for Removal	Statutory Basis ¹	Funding ²	In New Framework ³	Other Mechanisms ⁴	Comments
Area Child Protection Committee Annual Business Plan	2005	2006	N	O	CYP	R&I	Training Strategy and policy development used by Area Child Protection Committees. DISCONTINUE from 2006. Identified areas to be monitored through regulation / inspection and other improvement tools.
Behaviour Support Plan	2007	Apr-06	P(S)	C + G	CYP	R&I	Largely concerned with support that LEAs give their schools to deal with problems of pupil behaviour. DISCONTINUE. To be covered in partnership agreements between LEAs and schools under section 197 of the Education Act 2002, due to be put in place in 2005-06. Monitoring and evaluation to be covered by appropriate improvement tools. Consultation on partnership agreement regulations to take place shortly that might also cover exclusion issues.
Carers Strategy	Apr-06 implementation	2006	N	C + G	CS	R&I	Overall objective is to improve, in the longer-term, the health and wellbeing of carers and those for whom they care. DISCONTINUE from 2006. Identified areas to be monitored through improvement tools and link to the updated Community Strategy and Health, Social Care and Wellbeing Strategy by 2008.

Annex – current plan requirements

Title	Next Due	Target Date for Removal	Statutory Basis ¹	Funding ²	In New Framework ³	Other Mechanisms ⁴	Comments
Disabled Access Strategy	Apr-07	2006	P(S)	C	CYP	R&I	All authorities are required to have a strategy for improving accessibility to schools they maintain in accordance with the SEN and Disability Act 2001. Assembly Government to: i) advise local authorities to consider meeting the publication requirement in new single education plans; ii) consider whether the review period should be changed by amending Regulations to match the single education plan period (2006).
Early Years Development and Childcare Partnership Plan	Oct-05	Apr-06	P(S)	C	CYP	GC	Historically about expansion of early years education. i) This planning requirement will need to be split between Education and lifelong learning sub-group (for early years development) and HSCWB sub-group (for childcare partnerships). ii) Local authorities to submit their last annual plan in October 2005; iii) Decision needed on which elements – if any - of this plan need to go into the new single education plan from April 2006.
Education Strategic Plan	Apr-05	Apr-06	P(S), S	C + G	CYP	PI, R&I, WPI	Statement of proposals covering: priority areas for action for school improvement; special educational needs policy; promotion of racial awareness; provision for looked after children; attainment targets; exclusion and unauthorised absence targets and information used in the setting of targets. Following production of supplementary plans to cover 2005/06, elements of ESP's to become part of the new single education plan from April 2006.
Placement Strategy	2005	2006	G	C	HSC	PA	Address key elements of defining need and demand, allocation of resource and local commissioning and managing placements. DISCONTINUE from 2006. Possible coverage in higher-level strategies, and monitoring and evaluation through appropriate improvement tools.
School Organisation Plan	2005	Apr-06	P(S)	C	CYP	PI, WPI, R&I	DISCONTINUE. Elements to become part of the new single education plan from April 2006. In addition: i) Growth in Welsh Medium provision to be linked to Welsh Medium Education Plans ; ii) Plans for removal/addition of places to be linked to capital investment proposals in Asset Management Plans.

Annex – current plan requirements

Title	Next Due	Target Date for Removal	Statutory Basis ¹	Funding ²	In New Framework ³	Other Mechanisms ⁴	Comments
Social Care Plan	2005	2006	P	C + G	HSC		Contains key social care goals and targets; needs of younger adults with disabilities (physical, learning, mental health, substance misuse); older people, needs of carers and proposals for future commissioning, now covered by Health, Social Care and Wellbeing Strategy. DISCONTINUE as long as robust local commissioning arrangements in place for delivery.
BME Housing Strategy	2005	2007	P	C + G	LDP, CS		Plan focussed on BME communities and people and their housing requirements. Aims to ensure race and equality issues are mainstreamed in the housing policies of the Assembly Government and social landlords. DISCONTINUE requirement to submit to Assembly Government. Include within enhanced Local Housing Strategy from 2007 and within community strategies thereafter.
Childrens First Management Action Plan	Apr-05	2007	G	G	CYP	GC, PA, PI, WPI	Local authority's proposals to meet Children First objectives. If progress satisfactory, grant-related element to move to RSG by April 2007. DISCONTINUE from 2007. Bring Children's First plan elements into the single children and young peoples plan from 2008 and Children's First monitoring into appropriate improvement tools.
Home Energy Conservation Reports	2005	2007	P	C	Other	PA, PI	Assembly Government uses the information contained in the reports to provide a national picture. DISCONTINUE from 2007. Feature outturn data and targets in policy agreements, underpinned by statutory performance indicators.
Learning Disability Strategy: Service Principles and Service Responses grant	Apr-07	2007	G	G	HSC	PI	3-year grant scheme providing data on learning disability services in the authority area; description of the audit and prioritisation process, outcomes, action plan and implementation proposals. DISCONTINUE. With proper local commissioning, plan not required. Consider mentioning elements in Health, Social Care and Wellbeing Strategy and include in revised guidance.
Local Homelessness strategy	Jun-05	2007	P(S)	G	LDP, CS	PA	DISCONTINUE requirement to submit to Assembly Government. Include within enhanced Local Housing Strategy from 2007 and within community strategies thereafter.
Local Transport Plan	No date	2007	P	C + G	LDP, CS	PI	REPLACE with plans prepared by regional transport consortia.

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Contaminated Land Remediation Strategy	No date	2007 earliest	G	C + G	LDP		Contains details of the approach the local authority is taking, number of sites planned to investigate, timescale for rolling out and reviewing the strategy. DISCONTINUE from 2007 onwards, once subsumed within Local Development Plans.
Rights of Way Improvement Plan	2012-2017	after 2007	P	C + G	LDP, CS		First plans required by local authorities and National Parks by 2007, with a 10-year review cycle. Its purpose is to provide a strategic look at the network, maintenance of it and provision of access to it. DISCONTINUE requirement after plans produced in 2007: i) if proposals for a local environment strategy move ahead in 2006, ROWIP's will become part of this strategy. If not, local authorities which chose to compile environment strategies voluntarily and include rights of way planning in that will not need to produce separate ROWIP's; ii) if proposals for a local environment strategy are not implemented, the statutory requirement for these plans will not be renewed after 2007, on the basis that PIs will then be in a better position to measure outcomes in this area, without the need for a plan.
Supporting People Operational Plans	Sep-05	after 2007	N	G	HSC	PI	Specific Assembly local authority grant - annual - and grant project funding for accredited providers (bidding process). DISCONTINUE after 2007 dependent on the handover of this area to local authorities ie. not before April 2007. Key elements would be monitored through Performance Indicators.
Basic Skills Strategy (element relating to 0-25 years)	2005	2008	N	G	CYP	PA, PI	Funds allocated annually through National Basic Skills Strategy for Wales managed by external partner. Bring 0-25 years element of the strategy into single children and young peoples services plan requirement for 2008-09 onwards.
Children's Services Plan	No date	2008	P	C + G	CYP	PA, PI, WPI	The plan is to review and make provision for the following services: children in need, accommodation for children looked after, services for care leavers and provision of day-care and child-minding within the Children Act 1989. Core components appear in the Children & Young People's Plan. Bring plan elements into the single children and young peoples plan from 2008 and monitoring into appropriate improvement tools.

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Title	Next Due	Target Date for Removal	Statutory Basis ¹	Funding ²	In New Framework ³	Other Mechanisms ⁴	Comments
Crime and Disorder Reduction Strategy (Community Safety Plan)	Apr-05	2008	P	C	CS		Subsume within Community Strategy for production of revised Community Strategies in 2008 and, where necessary, link to Health, Social Care and Wellbeing Strategy and Children & Young People Plan.
Cymorth – Children and Youth Support Fund Plan	Oct-05 (to cover 06/07 fy)	2008	G	G	CYP	GC, PA, PI	Plan owned by local authority Children's Framework Partnerships detailing support to children and young people in their areas. Grant-related elements due to become part of RSG from 2008. Core components to be brought into the single children and young people's plan from 2008 and monitoring into appropriate improvement tools.
Early Entitlement Plan (0-10)	Oct-05	2008	G	G	CYP		Planning partnerships and the participation of young people and children are supported by specific funding provided to local authorities as part of the Cymorth allocation. Covered by Children and Young People's Framework. Transitional arrangements to draw together children's and young people's overarching planning requirements ie. 0-10, 11-25 years and Children & Young People's Framework Plans, into single children and young people's plan requirement in 2008-09 which would be informed by the strategic priorities of the Children's Partnership and the YPP.
Local Air Quality Management Plan	No date	2008	P(S)	C	LDP	PA, PI, CS	Only exist where Authority itself has declared an air quality management area, therefore activated by Authority concerned, rather than by Assembly Government. Currently 5 authorities in Wales have declared areas. In the absence of a prescribed local environment strategy, the sub-group agreed that these plans should be subsumed within the revised Health, Social Care and Wellbeing Strategy from 2008.
Local Substance Misuse Action Plan	Apr-05	2008	P	C + G	CS		Subsume within Community Strategy for production of revised Community Strategies in 2008 and, where necessary, link to Health, Social Care and Wellbeing Strategy and Children & Young People Plan.
Municipal Waste Management Strategy, incorporating Waste Recycling Plan, Litter Plan, Communication Strategy	Apr-07	2008	N	C + G + O	LDP, CS	PI	Most important part relates to how local authorities intend to meet the Landfill Directive targets to divert municipal waste from landfill. DISCONTINUE but Assembly Government will retain powers to instruct a local authority to produce a strategy if there is an identified need as part of an intervention protocol.

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Public Library Plan	post-Apr-05 (currently under review)	2008	N	C	CYP, HSC	PA, PI	Aims and objectives of authority's library service: data and commentary relating to specific standards; comparative statistical analysis of authority's position on standards; monitoring of standards. Plan requirement to be reviewed before next plans required in 2008 and consideration given to whether and where continuing plan requirements might be integrated into the rationalised planning framework.
Strategy for Older People - Local Action Plan	Apr-07	2008	N	G	CS	PI	Contains current position; development proposals; consultation with older people; objectives/targets and outputs, combined with monitoring and evaluation. Transitional arrangements to be in place for high-level elements to become part of updated Community Strategy from 2008 and specific elements become part of the prescribed strategies (from 2008 - Children & Young People's plan and updated Health, Social Care and Wellbeing Strategy).
Young People's Partnership (11-25yr olds)	2005	2008	G	G + O	CYP		Transitional arrangements to draw together children's and young people's overarching planning requirements ie. 0-10, 11-25 years and Children & Young People's Framework Plans, into single children and young people's plan requirement (see below) in 2008-09 which would be informed by the strategic priorities of the Children's Partnership and the YPP
14-19 Learning Pathways	May-05	2008 or 2009	N	C + G	CYP	GC, PA, PI	Encompasses spending of grant proposals, impact on capacity in local network, impact on learning pathways agenda and quality assurance. Need to continue until activity embedded and specific grant funding becomes part of RSG. Appropriate elements of the plan to be brought into single children and young peoples services plan requirement for 2008-09 onwards.
Local Housing Strategy	2007	2008-09	N	C + G	LDP, CS		RETAIN as enhanced strategy to incorporate elements of BME Housing Strategy, Local Homelessness Strategy and SPOP. Subsume within Community Strategy for production of revised Community Strategies after 2008 and, where necessary, link to Health, Social Care and Wellbeing Strategy and Local Development Plan.
Area of Outstanding Natural Beauty Plans	2009 or earlier	2009	P	O	LDP, CS	PI	Historically local authorities had management plans before this became a statutory requirement. Plan made statutory as some were not adequate for purpose. 4 plans produced in Wales involving 5 local

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							authorities. REMOVE statutory requirement for these plans by 2009. Before 2009 if any new Areas of Outstanding Natural Beauty are declared, they will be required to produce a 5-year plan. Look to performance indicators as a potential monitoring tool.
HRA Business Plans	Apr-05	dependent on option appraisal	P(S)	C	LDP	PI, R&I	Includes aims and objectives to ensure local authorities meet Welsh Housing Quality Standard (WHQS) by 2012, Local authorities urgently need to consider whether to transfer their housing stock to a housing association or retain it and meet the WHQS directly. Authorities concluding a stock transfer would, by definition, no longer need to complete a plan. DISCONTINUE with the timing dependant on outcome of option appraisal in each authority.
Class Size Reduction Plan	n/a	n/a	n/a	n/a	n/a	n/a	Plans have not been required since 2000-2001. DISCONTINUE