



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Iechyd, Lles a Llywodraeth Leol
The Health, Wellbeing and Local Government
Committee**

**Dydd Mercher, 19 Tachwedd 2008
Wednesday, 19 November 2008**

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

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

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Lorraine Barrett	Llafur Labour
Alun Cairns	Ceidwadwyr Cymreig Welsh Conservatives
Irene James	Llafur Labour
Helen Mary Jones	Plaid Cymru The Party of Wales
David Lloyd	Plaid Cymru The Party of Wales
Jonathan Morgan	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
Jenny Randerson	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats

Eraill yn bresennol
Others in attendance

Jeff Andrews	Cynghorydd Arbennig, Llywodraeth Cynulliad Cymru Special Adviser, Welsh Assembly Government
Jeremy Colman	Archwilydd Cyffredinol Cymru Auditor General for Wales
Andrew Davies	Aelod Cynulliad, Llafur (y Gweinidog dros Gyllid a Chyflenwi Gwasanaethau Cyhoeddus) Assembly Member, Labour (Minister for Finance and Public Service Delivery)
Richard Davies	Yr Adran Gwasanaethau Cyhoeddus a Pherfformiad, Llywodraeth Cynulliad Cymru Department for Public Services and Performance, Welsh Assembly Government
Carys Evans	Yr Adran Gwasanaethau Cyhoeddus a Pherfformiad, Llywodraeth Cynulliad Cymru Department for Public Services and Performance, Welsh Assembly Government
Non Jenkins	Rheolwr Cydberthnasau ac Arbenigwraig Perfformiad, Swyddfa Archwilio Cymru Relationship Manager and Performance Specialist, Wales Audit Office

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Steve George	Clerc Clerk
Catherine Hunt	Dirprwy Glerc Deputy Clerk
Alys Thomas	Gwasanaeth Ymchwil yr Aelodau Members' Research Service

Dechreuodd y cyfarfod am 8.59 a.m.
The meeting began at 8.59 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon Introduction, Apologies and Substitutions

[1] **Jonathan Morgan:** Good morning. I welcome Members to committee this morning and I will start with the usual housekeeping arrangements. I remind Members to switch off any electronic devices, including BlackBerrys, pagers and mobile phones. I also remind people that the committee operates bilingually, so headsets are available for translation. I advise Members that, if there is an emergency, they should follow the advice of the ushers.

[2] We have had apologies from Ann Jones who is substituting on the Communities and Culture Committee this morning. We have also received apologies from Val Lloyd and we understand that Jenny Randerson is unwell, so we are missing three Members this morning, sadly. That is no reflection, of course, on the quality of the witnesses who are coming to the committee this morning; we occasionally receive apologies for absence. I have had no notification of substitutions. I invite Members to make any declarations of interest under Standing Order No. 31.6. I see that there are no declarations of interest.

9.00 a.m.

Ymchwiliad y Pwyllgor i Graffu ar Lywodraeth Leol: Tystiolaeth gan Swyddfa Archwilio Cymru Committee Inquiry into Local Government Scrutiny: Evidence from the Wales Audit Office

[3] **Jonathan Morgan:** It is a great pleasure to welcome Jeremy Colman, the Auditor General for Wales, and Non Jenkins, relationship manager and performance specialist. A warm welcome to you both.

[4] This is the third evidence-taking session for the committee's inquiry into local government overview and scrutiny. The committee is looking at progress that has been made since the publication of the former Local Government and Public Services Committee's report in 2004.

[5] Thank you for your written evidence. Members have had an opportunity to read through that. If it is okay with you, we will proceed with the questions.

[6] The previous local government committee report in 2004 found that local government was having difficulty in adjusting to a culture of scrutiny. To what extent has the Wales Audit Office found that the culture in local authorities has changed since 2004 to allow for more effective scrutiny?

[7] **Mr Colman:** The answer to that is that it has changed, but a great deal more change is needed before scrutiny becomes really effective. One has to remember that scrutiny is still a very new idea in the world of local government—it is only eight years old. What stimulates a change in culture is a change of personalities. That certainly occurred after the 2004 elections, as well as in 2008, when people who had been in the executives suddenly found themselves in opposition and realised that scrutiny is something that has a role that they perhaps had not perceived when they were in their executive roles. We found, as the paper says, that there has been change, but my assessment is that there is a long way to go before scrutiny does its job effectively, which is not wholly surprising.

[8] **Jonathan Morgan:** In your paper, you say that the full potential of scrutiny has not yet been realised by local authorities, and you point out that many scrutiny committees treat

important monitoring information as 'items to note' or 'items for information' rather than as information to inform real scrutiny and the challenge of progress. Clearly, this implies a lack of understanding as to how to conduct scrutiny, even if the arrangements are in place in the form of scrutiny committees and officers who give evidence. Can you expand further on this point and provide some illustrative examples?

[9] **Mr Colman:** I will ask Non to give examples.

[10] This is all part of the culture, in a way. Scrutiny requires a particular habit of mind that has not yet developed. In my view, it is inconceivable that anyone who really understands what scrutiny is would ever 'note' a paper. That is strong evidence, where it occurs, that they have not got it quite right and they have not quite understood it. Non can give some examples.

[11] **Ms Jenkins:** You can find them on both sides. Many authorities include lots of information on their agendas that is 'for information'. As Jeremy said, they are there just to be noted, to go through or for comment before particular decisions are made. They tend to take a lot of time on many agendas, so that most of a committee meeting is spent looking at those issues for information that could be communicated outside the meeting rather than as part of the agenda.

[12] With regard to other 'for information' items, such as monitoring information, budget information is included 'for information', but is not just 'for information', as decisions would need to be taken or scrutinised to ask whether they are on the right track, and whether there is something that the executive needs to take on board to change how things are being done, because if budgets or performance is slipping, it must be asked whether corrective action needs to be taken. If they do not go to scrutiny or cabinet, how do you know whether the council is on track? That is an example of how some authorities look at budget monitoring and performance monitoring for information rather than to inform their scrutiny and decision-making roles.

[13] **Helen Mary Jones:** It has been put to me anecdotally that one way in which executives that do not want to be scrutinised terribly well deal with the risks of the scrutiny to them is to overload scrutiny committees with masses of information, so it becomes difficult for committee members to sort the stuff that they should only be noting from the stuff that they really need to look at. Do your findings bear out that that may be a risk in some places?

[14] **Ms Jenkins:** Yes, that is the case. Where things work well is where committees concentrate on one or two key items per meeting. What we tend to say to scrutiny committees when we do our audit, inspection and support work across Wales on scrutiny is that they only meet 10 or 12 times a year for maybe two or three hours at a time, and they must make that time count. If that time is spent mostly on looking through 20 items, is that real scrutiny or is it just having a look at issues for information, having a quick comment on it, and off they go? So, it is important for scrutiny committees to make the most of the time that they have, because they do not meet that often.

[15] **Mr Colman:** The phenomenon that you described is not confined to local authority scrutiny in Wales. It appears in other areas of audit and inspection.

[16] **Helen Mary Jones:** I think that we are aware of that. *[Laughter.]*

[17] **Jonathan Morgan:** Before we move on to Irene's question, when you look at the work that scrutiny committees do and the way in which they quiz those individuals who come in to give evidence, I assume that the overwhelming majority of scrutiny committees take evidence from or scrutinise their own officers. Do you have examples of scrutiny committees inviting people from outside of the local authority to give evidence in the way that the

National Assembly does?

[18] **Ms Jenkins:** Yes, they do, but they are more comfortable with scrutinising their own officers, and that is the default position. You will always find an officer at a scrutiny committee, but you will not always find someone external at a scrutiny committee, even where there is an opportunity to do so. It goes back to the work programme and what is on the agenda—if they do not have the time to call in external witnesses, they will not. If they have not made the decision to look at the issue that they want to scrutinise in depth, they will not ask many other people other than their officers to give evidence. So, it all goes back to the work programming and ensuring that they have the right things in their work programme in the first place, rather than just going from meeting to meeting.

[19] **Irene James:** Your paper states that member training has improved and that all local authorities are signed up to the charter on member development. However, it also implies that the story is more variable in practice, and that member take-up is not always high. So, in local authorities where appropriate training is offered and member take-up is good, have you been able to identify common factors that ensure that these occur? If so, what are they?

[20] **Ms Jenkins:** Member development tends to be most successful where members have personal development plans, and have been through training needs analysis or development needs analysis and are committed to it. In the same way as they expect the council to improve, their scrutiny committee should also be seen to be improving. So, it is about that commitment to development across the council and personal development among councillors and officers. However, it is where they have personal development plans or some training needs analysis has been undertaken that it tends to be most successful.

[21] **Irene James:** Is the feedback that you have received from members who have gone through the training? If you have had feedback, have you had feedback on the elements that they found most useful?

[22] **Ms Jenkins:** The elements that members find most useful in scrutiny are questioning and listening skills. That comes up all of the time everywhere. It is interesting that however much you want to support them in their questioning and listening skills, they want more support, and that is important—they see the need for more support in questioning and listening skills. Five councils have already signed up to the Welsh Local Government Association's Wales charter for member development, and to get to the first level the council needs to have some training needs analysis or personal development plans in place. It is encouraging that there are now five councils signed up to that, whereas there were only three for a long time. We welcome that.

9.10 a.m.

[23] **Jonathan Morgan:** Which local authorities are they? Sorry, to put you on the spot, it is just that I am not sure whether it was in your paper.

[24] **Ms Jenkins:** I cannot remember off the top of my head.

[25] **Irene James:** Perhaps we could have a note.

[26] **Ms Jenkins:** They are Caerphilly, Rhondda Cynon Taf, the Vale, and I cannot remember the new two, sorry.

[27] **Jonathan Morgan:** That is no problem. If you could let us know which ones they are, that would be fantastic. It would be useful to know which ones have signed up.

[28] **Irene James:** Your paper notes that some authorities are currently in the process of producing their own competency-based frameworks for scrutiny training. Do you have any views about whether it is better for local authorities to develop their own training frameworks or to work to a common model?

[29] **Mr Colman:** The most important thing about training is that people should be committed to it. So, the precise model that they follow is less important than having a strong commitment to training. My suspicion is that if an authority is developing its own model, that is a sign of stronger commitment, and so you are likely to get a better outcome. However, you would not want them to develop models in isolation. As Non was saying, this is all about learning and improving. So, you would hope that, in developing frameworks, councils would look at what others have done, but I do not think that a common framework is the right way to promote enthusiasm for this activity.

[30] **Irene James:** Following on from that, you are encouraging local authorities to go it alone to provide the service and training that they need as a specific authority—

[31] **Mr Colman:** Not to provide it, but to identify what training is needed and the framework into which it fits. Each council makes its own arrangements for scrutiny. Authorities all do it in different ways, and I do not think that that is necessarily a bad thing, provided that they constantly examine their success with scrutiny and seek to improve it. I do not believe that there is a single model for scrutiny. It is bound to depend upon personalities to some extent, and different personalities can develop different models that are equally effective, provided that they go about it in a proper way. That means taking a sensible approach to training. I am not talking about the providers, that is another issue entirely, but about identifying what the needs are and the sort of activity that be taken to do something about those needs. I suspect that seeking a national approach will turn off people who might otherwise be enthusiastic.

[32] **Ms Jenkins:** On that point, there has been a debate for a while as to whether the charter should be prescribed, with everyone signing up for it and working according to it, and whether there should be a duty to work to it. There are varying views across Wales from local authorities as to whether it should be prescribed or not. There is no conclusion on that as yet.

[33] **Irene James:** Is there help out there for local authorities that decide to go it alone to ensure that best practice is taken into account?

[34] **Mr Colman:** There certainly is, from the Wales Audit Office, if from nowhere else. Non will be able to say more on this.

[35] **Ms Jenkins:** Yes, there is help from the Wales Audit Office. We have done a lot of support work on the development of scrutiny and decision making, because you cannot take scrutiny without looking at decision making. It is not something that is done in isolation, and that is the key to it. When we do support work on scrutiny, it involves cabinet members, board members and senior officers, because it is important to involve them and get them to understand that this is also for them, not just for those who are on scrutiny committees. We offer that support, and I know that other regulators will offer support, and the WLGA also offers that support even if the council is not working towards the charter.

[36] **Irene James:** You have mentioned cabinet members and officers but if councillors are in the opposition, is that support available to them as well?

[37] **Ms Jenkins:** Yes.

[38] **Lorraine Barrett:** I am looking at dedicated officer support teams in my questions.

Your paper notes that there has been an improvement in this regard, but that not all authorities have established that support for scrutiny. Is it your view that all local authorities should have dedicated scrutiny teams?

[39] **Mr Colman:** In short, the answer is 'yes'. Without that kind of support, bearing in mind that being a councillor and a member of the scrutiny committee is not a full-time job, it is very difficult to see how effective scrutiny can work without consistent, pretty high-level support from officers, more than what you would simply get from a clerk to a committee, such as the mechanics of arranging the meetings. Scrutiny requires some analysis of information, and provision of suggested questions to the scrutiny committee members. It is, no doubt, possible that this could be done well without officer support but it does not seem to me that a council is taking scrutiny really seriously unless it thinks about how the scrutiny committee will be supported in this way.

[40] **Lorraine Barrett:** You also talk about the seniority of the scrutiny staff. I think that you feel that having seniority and experience is as important as having scrutiny staff.

[41] **Mr Colman:** I must be careful, since I am of an age to regard experience as very important in everything, not to overstate the need for experience. Scrutiny is quite a subtle function; it is not a mechanical process of analysing information. It requires the exercise of judgment and the ability to detect when a plausible sounding story is not actually getting to the bottom of things. Some of that work is suitable for quite inexperienced people, but there is a role for familiarity with the way in which a council goes about its business that you might not find in a junior person.

[42] **Lorraine Barrett:** I wanted to ask about the capacity—

[43] **Jonathan Morgan:** Before we move to that point, Helen wants to raise a supplementary question. I also have an additional question.

[44] **Helen Mary Jones:** Thinking about the nature of the staff resource that is available, it seems to me that one dilemma for local authorities is having that resource available. If they are putting that resource into scrutiny, the argument is that someone is not then planning service delivery at the front line, if you like. Does the Wales Audit Office have a view about whether or not the Assembly Government should consider making dedicated resources, which would only support scrutiny, available to local authorities to remove that dilemma? If you have the committee chairs saying to the executive, 'We want you to give us some resource so that we can do our scrutiny job better', and the executive responds, 'Where do you want me to take that money from? Social services or housing?', is there an argument for a central resource that could only be used for scrutiny?

[45] **Mr Colman:** The answer to your question about whether we have a view on that is 'no'. The reason for that is that, as a matter of policy, we never express a view on the allocation of resources. The answer to people who say that we are taking money out of social services to support scrutiny, and the assumption there is that scrutiny is less important than delivering services, and people are entitled to believe that, is that we believe that scrutiny is a very important part of developing services. Therefore, it is wrong to regard taking resources out from the front line to go into scrutiny in that way. I am referring to appropriate levels of resources; it is not a blank cheque. Unsupported scrutiny is a waste of everyone's time. Supported scrutiny has the potential to deliver improvements in services.

9.20 a.m.

[46] **Lorraine Barrett:** My question sort of ties in with what Helen has just said. To what extent did you find that capacity is an issue for some local authorities in providing that

scrutiny support? Helen has just touched on resources. In asking that question, I am thinking about how the Assembly has evolved, which you must have noticed, over the years. We have had to put a lot of resources into our committee secretariat to build up that scrutiny role, which has been a learning curve for many Members over the last nine years or so. We can liken what has happened here to what should be happening in local authorities. You can see that there needs to be a huge sea change, and that it cannot merely be a case of picking one officer for the role and saying, 'You are the scrutiny officer'. Do you agree with that? That could mean that someone who has just been working on planning, for example, for x number of years would now be expected to be able to perform analysis and provide back-up for councillors. Does it need some central directive, even if that is not about saying, 'You must find these resources from here or from somewhere else'? Do you think that it needs that central directive in all councils' committee secretariats, if you like, for that scrutiny role to be delivered?

[47] **Mr Colman:** I do not think that I have a view as to whether there should be a directive approach or an approach that encourages good behaviour; I would regard that almost as a policy issue that would not be appropriate for me to comment on. The Assembly Government has put many of its own resources into issuing guidance on how scrutiny should be performed, and a lot of guidance is available—we ourselves have provided guidance, as Non has said. However, what really matters is that effective scrutiny arises when you have people who believe passionately that it works. I suspect that any amount of guidance will be very slow in developing that kind of belief, and direction never establishes belief. So, it is a subtle process that probably cannot be rushed.

[48] **Jonathan Morgan:** I have a quick supplementary question to that before we move on to Lorraine's final question.

[49] Although we are looking at the period from 2004, there is an equally interesting period from 2000, because the Local Government Act 2000 effectively reinforced that change from the old committee style of doing things in local government to the executive-legislative split, if I can call it that, which is similar to what we have here. At that point, was there any movement by local authorities towards providing members with support for scrutiny? Local government members went from taking decisions in committee about where services were going and how services were being delivered to questioning decisions. Was there a movement at that point by local government to put more resources into scrutiny, or was it principally left untouched until around 2004? I have this funny feeling that it was left untouched.

[50] **Mr Colman:** Non will be on top of the facts in a way that I am not, but I will come back to my point about hearts and minds and the conviction that something will work. My opening remark was that scrutiny is a very new development, so merely passing the law and saying that the structure is different does not necessarily get to people. We definitely saw progress after the 2004 election, as I have said, and there was some progress before that, but it is not surprising that there was not a lot. I am sure that Non will give some details on that.

[51] **Ms Jenkins:** Yes, there was some progress. Councils put into place arrangements before the 2002 kick-off; they were piloting arrangements in 2001. As a former council officer myself, I tried to implement this in practice in local government in Carmarthenshire. By 2002, we had put in dedicated scrutiny support officers, and many other authorities did the same. It was not a blanket approach, but it has grown over time: the number within those authorities has grown, but also the number of authorities that have scrutiny officers in place has also grown. They do not necessarily have to be dedicated scrutiny support officers. In 2002, quite a lot of those scrutiny officers were also performance officers, because, if the council had a central unit, they were challenging the performance of the council as it was. They took on the role of developing scrutiny, just as some councils have policy officers and scrutiny officers in the same role.

[52] **Lorraine Barrett:** I have a question about scrutiny officers who work for both the executive and the committees. Have you any evidence of their making a conscious effort to keep the roles separate? It must be very difficult to be loyal to your executive but also be prepared to give committees the ammunition to have a go at the executive. Could you give us some idea of how that is working, and how individuals are dealing with that dilemma?

[53] **Ms Jenkins:** Although I can understand the potential conflict in that, it is not borne out in practice. Actually, I could say that the opposite is true: some of the policy officers who really know their stuff will ensure that the really difficult questions are asked in scrutiny, because they know more than the others. That is not to say that that is the right way or the wrong way to go, but that is what has happened, and it is working well in the authority that I was talking about. Not many have joint policy and scrutiny officers; it is more usual to have dedicated scrutiny officers and performance staff.

[54] **Alun Cairns:** On that point, it is fair to say that some authorities are almost officer-led, while others have councillors with strong characters that lead. Given the response that you have just given, Mrs Jenkins, would you recognise that there could be a difference in an officer-led local authority? In such an authority, the scrutiny would focus on officers' policy, almost, in the absence of councillors with strong characters. That question is to Mr Colman too.

[55] **Ms Jenkins:** That is all to do with the culture of the council, which impacts upon the culture of scrutiny. It will differ; it is all about characters. It can change instantly if there is a change of only one person, either in the cabinet or senior management, or if there is a change of scrutiny committee chair—one new chair could change everything. I agree that the officers might then need to step in to develop the confidence of that scrutiny committee chair.

[56] **Alun Cairns:** What I am getting at is that you had not necessarily seen the need for a Chinese wall, but would the absence of that wall in an officer-led authority create difficulties?

[57] **Ms Jenkins:** No, I do not think so.

[58] **Mr Colman:** The crucial thing here is the distinction between challenge and opposition. Some powerful people, whether they are officers or politicians, do not see the distinction, and they are the ones who have difficulty in the situation that you described, in an officer-led authority. If the officers believe that challenge equals opposition, I can see that it would be difficult for a relatively junior officer to undertake the scrutiny function effectively—the attitude would be that the scrutiny function will mean trouble. If, on the other hand, you have people who understand that being challenged, and being challenged in public, is not necessarily the same as being opposed, they would have a mature approach and would expect an ambitious officer to do a good job of scrutiny and would welcome the questions that came. So, it comes back to the question of whether there is a proper understanding of the scrutiny function.

9.30 a.m.

[59] **David Lloyd:** On developing scrutiny across all 22 local authorities in Wales, we have previously taken evidence in this committee that said that, geographically, Wales struggles to get that sense of peer networking going. We have also had a WLGA paper that identified a range of scrutiny networking activities. You note:

[60] 'There has been progress in this area through the work of the Scrutiny Champion's Network'.

[61] To what extent would you agree with the observation that Wales has struggled to get a sense of peer networking going? Can you explain your role in the scrutiny champions' network?

[62] **Mr Colman:** I am slightly surprised by the negative tone of that remark about the peer network, because I can think of examples of authorities that seek to learn from each other and are keen to do so and are in touch. I can also give you examples of people who do not think that they have anything to learn from anyone else, but that is not confined to local government in Wales. So, I would regard that as a bit too negative.

[63] As to our role in the network, Non will answer that question.

[64] **Ms Jenkins:** We attend the south-east Wales and mid and west Wales networks. The north Wales network is mostly an officer network that officers have convened themselves. However, the WLGA convenes the south-east Wales and the mid and west Wales networks. We attend every quarterly meeting, share information and encourage learning, especially in the light of the scrutiny of local service boards and the role of the six pilot schemes in sharing learning and the journey that they have been through in scrutinising local service boards. That is the only chance that many of them get to sit down and go through things in practice.

[65] There was a good example of a scrutiny champions' network meeting in Cardiff. Half of it was a traditional meeting with an agenda, but the other half was conducted in round tables. The meeting was attended by members and officers, which is not always the case. There was a focus on one particular issue, namely pre-decision scrutiny. The last question that was asked was, 'Will anyone be going away from here and changing the way in which they do things?', and nearly everyone put their hands up. So, that scrutiny champions' network meeting had an impact.

[66] **Helen Mary Jones:** The 2004 report that we are revisiting in this piece of work identified the call-in procedures as an area where there were sometimes problems, and it recommended that committee chairs should not be able to veto the use of call-in procedures. We are obviously interested to see how that has developed since 2004. Is the use of call-in procedures considered by the audit office in carrying out its inspection of local authorities? Do you look at how that works? If so, do you have any observations about how it is being used at present?

[67] **Mr Colman:** I would like to make a general point about our role in local government, which is likely to change somewhat as a consequence of the draft Measure that is currently being considered, on which I gave evidence to the relevant committee last week. In future, there will be a single question that I will be required to answer at each authority each year in two ways, looking backwards and looking forwards. The single question is whether the authority has arrangements in place to secure continuous improvement in services. Without any question at all, to deal with that, we will have to examine the effectiveness of scrutiny arrangements everywhere, every year. So, in a more obviously and visibly systematic way than at present, our methodology will show that we will look at scrutiny, among other things, everywhere, because the effectiveness of scrutiny is certainly one of the arrangements that can secure continuous improvements in services.

[68] Currently, what we look at in a particular local authority depends on a joint risk assessment, which is carried out every year, and that may or may not show that scrutiny is an area of concern. If it does show that, we would aim to do some work in that area. That is the general approach. In future, the approach will be more visibly focused on scrutiny where it needs to be. So, that is the general answer, and the particular answer will come from Non.

[69] **Ms Jenkins:** We look at scrutiny every year, but we do not necessarily have to look

just at scrutiny; we could also look at the culture of the organisation or at how it is improving itself. Scrutiny is part of good governance. If a particular council needs support for its work on improving its governance, scrutiny comes into that. We have done quite a lot of corporate culture and governance inspections. We are using a good governance diagnostic tool in local authorities across Wales at the moment, and we will be using that across the public sector. Scrutiny is about public accountability and improvement. It is not just about having scrutiny committees, but also the effectiveness of the scrutiny function of holding people to account publicly, so that you can say when something has been done well or not. The point is that we do not necessarily just do specific work on scrutiny; it is seen as part of a whole. Sometimes, we will do work specifically on scrutiny, which relates to decision-making, but it is usually a part of the culture and governance arrangements of an organisation, and addressing that is our main role.

[70] **Helen Mary Jones:** That is very useful. Perhaps this is a question for Ms Jenkins. Has the work that you have done looking at scrutiny demonstrated any patterns in the use of the call-in option, and are there still issues and difficulties with that being a tool that members can use?

[71] **Ms Jenkins:** Call-in is not used very often. When call-ins were in the Green and White Papers, before the Local Government Act 2000 was enacted, I remember everybody having a bit of panic about them, because they thought that there would be masses of them. In fact, it has not turned out that way. In the same way, people are now getting a bit excited about the community and councillor calls for action.

[72] **Jonathan Morgan:** I think that there is one exception. I understand, from talking to Jenny Randerson on Friday, when we were visiting Carmarthenshire, that the big exception is Cardiff council. She said that the call-in procedure is used extensively by individual members of scrutiny committees, so it would be interesting to find out from them what the impact of that is. Sorry to interrupt.

[73] **Ms Jenkins:** It is not generally used. You have seen the Welsh Local Government Association's research on call-ins. There is a massive variance in practices, and I think that that comes down to the way in which the Act and the guidance are interpreted. In the Wales Audit Office, our issue is that the meaning of the call-in arrangements is not fully understood. Sometimes, they do not go far enough to enable the Act to be put into practice. Any executive decision can be called in, regardless of who has made the decision, whether it was an officer or an executive member. However, that is not interpreted in the same way across authorities.

[74] **Helen Mary Jones:** That is interesting. The Welsh Local Government Association said to us that it wishes to see the statutory guidance on call-ins strengthened. Given what you have just said about the difficulties in understanding and the differences in interpretation, does the audit office agree that some strengthened statutory guidance would be helpful in that regard?

[75] **Mr Colman:** When you have a situation in which people are misinterpreting legislation, there is a strong case for putting that right. There does not need to be very lengthy guidance to do that, but some sort of guidance would be useful.

[76] **Helen Mary Jones:** Looking broadly at some of the factors that can work against effective scrutiny, has the audit office found any evidence of partisanship undermining the effective use of scrutiny processes in local authorities, in determining who committee chairs are, for example, and the use of the whip?

9.40 a.m.

[77] **Mr Colman:** Yes, we have, and Non can give you some details on that.

[78] **Ms Jenkins:** Councillors are not allowed to use the whip, but it might happen informally. I have not come across that as an issue while doing this work, but what might have an effect is the role of senior officers or cabinet members in scrutiny committee meetings, and whether they stay for the whole meeting or are there just to observe. Simply having someone observing can change the dynamic of a committee. So, while whipping might not be used, their presence in meetings might be used to that effect.

[79] **Helen Mary Jones:** My other question was on determining who holds key roles, such as the chairs of committees.

[80] **Ms Jenkins:** As we know, that has caused some political debate, but the general consensus, as stated in the CRG consultants' report, is that the right people should be in the right jobs, and they should undertake those roles no matter which political party they represent. Supporting improvement is about getting those people in the right roles, and that relates to the personal development plan, training needs analysis and everything else.

[81] **Alun Cairns:** May I go back to the point raised on partisanship? I was quite surprised by your answer, so I will try to turn it on its head. Some of the best scrutiny that I have seen in local authorities tends to be in those local authorities where partisanship is strong on both the ruling side and the opposition side, because that creates the incentive for it. However, from your answer to Helen Mary Jones, that did not seem to be the case. You talked about it in the context of the cabinet member being present at the meeting, for example.

[82] **Ms Jenkins:** I can see your point, but it does not always play out in that way. In those councils that are not that political, there have been some good examples of robust scrutiny. Going back to Jeremy's point about opposition, is scrutiny seen as a tool for the opposition or as a tool for improvement in its own right? It might keep people on their toes if they know that those who are scrutinising them are there to pick holes, challenge and really go for it. However, it is not always down to political—

[83] **Alun Cairns:** No, that is right. The point I make is that partisanship can be a positive and/or a negative. It is not just bad.

[84] **David Lloyd:** I was on the former Local Government and Public Services Committee that undertook the previous review in 2004, and a prominent issue at that time was that a scrutiny board scrutinised the cabinet. It was felt that, if the chairs of the scrutiny boards were of the same political colour as the cabinet, somehow that was not a healthy state of affairs for accurate scrutiny. We took the view then to discourage that. In other words, we tried to encourage the selection of scrutiny chairs from opposition parties rather than from the ruling party. Do you have a view on that?

[85] **Mr Colman:** The view that I have is that you cannot really make a rule on that. To use an example from Westminster, the departmental committee that caused the Government more trouble than any other was the Transport Committee, which was led for many years by the late Gwyneth Dunwoody, and, for much of that time, she was a member of the party in Government. So, the fact that someone from the party in power chairs a committee does not necessarily mean that they will pull their punches when scrutinising, to put it crudely. However, it might mean that, and there might be a suspicion that punches are being pulled even when they are not. So, it is an area of potential risk to effective scrutiny, but I would not say that it is never appropriate for a scrutiny committee to be chaired by a member of the ruling party if a single party is in control of an authority. You could make another argument that to have an opposition chair would risk scrutiny turning into opposition rather than challenge, and it could be used for the conduct of party politics by other means. So,

generalisation is probably unwise in this regard.

[86] **Ms Jenkins:** It goes back to respect. If you respect the people in those roles, it does not really matter which party they come from, as long as they have the necessary skills to perform the roles. The issue is one of perception. Having a scrutiny chair from the same party as the administration is sometimes perceived not to be open, but it might be effective.

[87] **Jonathan Morgan:** Before we finish this session, do you want to make any other points that could be of use to us? The paper is extremely helpful, and I think that Members have teased out the issues that they wanted to ask about. Do you wish to make any general comments?

[88] **Mr Colman:** I have made all the points that I wish to make.

[89] **Jonathan Morgan:** I thank Jeremy Colman and Non Jenkins from the Wales Audit Office for being with us this morning. We will now take a short break. Please return just before 10 a.m..

*Gohiriwyd y cyfarfod rhwng 9.46 a.m. a 9.59 a.m.
The meeting adjourned between 9.46 a.m. and 9.59 a.m.*

**Ymchwiliad y Pwyllgor i Fyrddau Gwasanaeth Lleol: Tystiolaeth gan y
Gweinidog dros Gyllid a Chyflenwi Gwasanaethau Cyhoeddus
Committee Inquiry into Local Service Boards: Evidence from the Minister for
Finance and Public Service Delivery**

[90] **Jonathan Morgan:** I welcome the committee back, and I welcome Andrew Davies, the Minister for Finance and Public Service Delivery. The officials with the Minister are Carys Evans, who has given evidence to the committee before, and Jeff Andrews, who is the special adviser to the Minister. I remind everyone to ensure that BlackBerry's, mobile phones and pagers are turned off. We do not expect a fire drill this morning, so, if there is an emergency, please follow the advice of the ushers.

10.00 a.m.

[91] This is our fifth and final evidence-taking session, after which we will seek to make recommendations. Hopefully, the committee will start to draft the report before Christmas. The Minister has provided a written brief this morning, which Members have had a chance to read. If it is all right with the Minister, we will proceed with questions.

[92] The committee has been told by other witnesses that the involvement of Assembly Government officials in the local service boards has conferred a status and authority that might not have existed in previous partnership arrangements. Taking an overview of all pilot LSBs, are all the partners fully engaged in what they are doing?

[93] **The Minister for Finance and Public Service Delivery (Andrew Davies):** Do you mean all the partners within the local service board?

[94] **Jonathan Morgan:** Yes.

[95] **Andrew Davies:** That has been our experience. Inevitably, there is variation between the six pilot boards, which you would expect, because they are very much local partnerships. In your introductory comments you spoke about the role of Assembly Government officials, which, I think, has been crucial in providing almost an account-management or relationship-

management role for senior government officials. I think that that has benefited the local partnership within the local service board. However, at the same time, I think that it is bringing about a change in culture within the Assembly Government among officials. I have said very clearly for a long time that we need a new model of civil servant based on engaged leadership. I think that it is beneficial that senior officials are engaging at a local level through the LSB—if you like, rolling their sleeves up and getting involved in service delivery issues. At a local level, I have had several meetings with LSBs, whether in Caerphilly, Carmarthenshire or Neath Port Talbot, and I certainly get every indication that all of the partners—be they public sector or third or voluntary sector partners—are fully engaged in the process.

[96] **Jonathan Morgan:** If you look at the experience of the local service boards thus far do you think that LSBs are more successful in engaging all partners than has been the case in previous attempts at partnership working? I am wondering why that should be the case. Could you give examples of where partnership working would have happened naturally, where there were good working relationships already in place? In other words, would those partnerships have emerged naturally or is it a case of the Government using a sledgehammer to crack a nut?

[97] **Andrew Davies:** I certainly would not see the LSBs as a sledgehammer; I would see it as more of a facilitating role. On other distinguishing features—perhaps I would need to think about comparing the LSB partnership approach with others—my first reaction would be to think of their focus on key outcomes. They deal, very often, with problematic or difficult service delivery issues, such as delayed transfers of care, adults with significant learning difficulties, or tackling climate change, where there has been a clear focus on an outcome, but the work probably differs from other partnerships that may be statutory or voluntary, where the focus has been on the partnership aspect rather than on the service delivery aspect.

[98] **Helen Mary Jones:** Could I just unpick that a little, Minister? I am thinking in particular about the roll-out beyond the pilot schemes. The pilot schemes are obviously a learning process and the intention is to roll them out throughout local authorities. However, to what extent, do you think, are the pilot schemes not giving an accurate picture? There may be authorities and other public bodies within that area that are inclined to co-operate, who want to make partnerships work, and the local service board model has been able to help them to do that more effectively. To what extent will the model continue to be effective if it is rolled out in some areas where there is, perhaps, less of a tradition of partnership working or a less positive culture? When we have talked to some local service boards, they have talked about building on work that was going on before, perhaps including new partners, but we all know of some areas where public bodies—it is not always local authorities, by any means—still have a bit of a silo mentality. Do you believe that the local service board model will be as effective in those areas as where you have a coalition of the willing?

[99] **Andrew Davies:** It is obviously true that a volunteer is worth 1,000 conscripts. The six pilot schemes were volunteers. Therefore, you would expect to have a more positive engagement initially. It is true that local service boards are not stand-alone—they are building on existing partnerships to a large extent, as you have said. However, it is true to say that, among the 16 other local authorities and LSBs, there is a strong indication that there is a real enthusiasm for this. I am not saying that there is the same level of enthusiasm across all 22 local authorities, but Carys is involved at official level on a day-to-day basis, and all the indications are that there is an enthusiasm for this. I think that the other 16 are picking up what the six pilot schemes have learned already and have benefited from so far. Perhaps Carys would like to add something on this.

[100] **Ms Evans:** I would say that all of the different parts of Wales are at different stages in this and there are lots of different ingredients. There is the commitment of the leaders, but

there is also the corporate capacity in the local authority and in some of the members to contribute, so our goal is to help to move everybody on. Therefore, it is just as important to realise the potential to be even more ambitious in those areas where partnership was already strong. We also need to enable other areas that were struggling to do more. The approach that we are taking is trying to identify what the barriers are, and they will be different in different areas. The WAG official can put people in such areas in touch with ways of moving on and can help by bringing in people from bodies such as Public Services Management Wales and so on. Therefore, wherever people started from, we are trying to help them to move on; that is the priority.

[101] **Andrew Davies:** The other key element is that I am embedding the LSB process together with the Wales spatial plan. The role of the lead Minister in each of the six areas in Wales—the regions in the Wales spatial plan—will include helping to integrate the Wales spatial plan with the LSB process. Therefore, again, it is not just about collaboration within each local authority, but across local authority boundaries. A significant amount of work is being done, mainly through the public service delivery committee, which I chair. There is a ministerial lead for each area. For example, Brian Gibbons leads in north-east Wales, which is where we are piloting this approach. Therefore, in that case, Brian's role is to help to integrate and draw together service delivery issues across the three local authorities in north-east Wales. That will be true for all of the other lead Ministers in their areas.

[102] **Jonathan Morgan:** Before I move on to Lorraine Barrett, I welcome Jenny Randerson. I gave your apologies at the start, Jenny, but I see that you have made a valiant effort to get here despite illness—there is a lot of it doing the rounds at the moment. It is good to see you.

[103] **Lorraine Barrett:** Previous witnesses have expressed concerns that any future reconfiguration of health trusts and local health boards could undermine current partnership working with health bodies. What steps are the Government taking to ensure that health reconfiguration does not disrupt those emerging partnerships in the local service boards running the pilot schemes?

[104] **Andrew Davies:** There has been constructive and effective collaboration already at a local level between, for example, local authority social services departments, the NHS trust and the local health board. Therefore, my clear expectation is that, to a large extent, throughout the reorganisation and afterwards, most of the key people in the health community will be the same people. Those relationships will have already been established, key priorities, such as delayed transfers of care, adult social services and mental health issues—for younger or older people—will remain the same, and the personnel will remain largely the same. What we need to do, and we will be doing this at a governmental level, is seek to ensure continuity.

[105] **Helen Mary Jones:** One concern that has been put to us, Minister, by the local service boards giving evidence on this matter is that one of the key factors in the partnerships' working successfully is having sufficiently senior people around the table to bring resources to bear to be able to make decisions.

10.10 a.m.

[106] When we have the larger health bodies, we will ultimately be stripping out levels of management—that is the plan. Is the Government taking specific steps to ensure that the new local health bodies, which will inevitably be bigger—some of them even bigger than some of the trusts as they stand—will continue to send sufficiently senior people? Now is the time to get that aspect built into the operation of the new local health delivery boards; otherwise, the risk is that, while they will continue to participate, they may not continue to send senior

people. If you are a new regional health board and you have four or five local authorities to which to send people, it becomes much more difficult to send the operations director, the finance director or whoever you want to send because of time. Are you taking specific steps to ensure that we will not face that risk with the new boards when they are rolled out?

[107] **Andrew Davies:** Following on from what I said to Lorraine Barrett, the service delivery issues will remain the same. Therefore, the new health organisations will have an interest in ensuring that these issues are resolved at a local level. It is something that I have been, and will be, discussing with the Minister for Health and Social Services and other appropriate Ministers. To draw a parallel with the police authorities, it is not the chief constable that goes to the LSB in Carmarthenshire, but the divisional commander, and I think that that is true in other police authority areas, such as South Wales Police. When I met Cardiff LSB and Caerphilly LSB, I felt that there was the appropriate level of representation at the LSB from the police. So, I would expect that to be the case for the health service as well.

[108] However, the LSBs and the NHS reorganisation are very much works in progress, and I would welcome the views of the committee in helping to develop the policy process.

[109] **Jonathan Morgan:** Minister, when the process of local service boards or other pilots were started, and when this idea was first mooted, we still had 22 local health boards and we had more than seven NHS trusts. We will now have seven local health boards of one type or another. Is it feasible in the medium to long-term to have 22 local service boards?

[110] **Andrew Davies:** We are dealing with the structure of local government that we have, and the First Minister has made it clear that he does not see local government reorganisation on the agenda.

[111] **Jonathan Morgan:** My point was whether or not local service boards must be configured according to the local authorities, or could you see a situation like that of the Hywel Dda NHS Trust, which takes in Ceredigion, Carmarthenshire and Pembrokeshire, where those meetings become almost fused so that you have one local service board that looks at the whole area, as opposed to three local service boards looking at it?

[112] **Andrew Davies:** I was going to go on to say that while we have the local government structure that we have, there will initially be 22 LSBs but there may well be service delivery areas and policy areas where there will be a need for wider collaboration. As I said in my reply to Helen Mary earlier, this is about the role of the spatial plan because it also gives us a tool for looking at service delivery areas that cross more than one local authority. It may be social services delivery around adult social care, and it will almost certainly be around areas such as waste management. So, I think that local authorities realise that some of these policy areas cannot be sorted out within their local authority area alone. So, the answer is 'yes'.

[113] **Lorraine Barrett:** The proposed local government Measure places a duty to collaborate on community planning partners. Does the proposed Measure, in particular the duty on named community planning partners, have any implications for the future development of local service boards?

[114] **Ms Evans:** I would say that it strengthens the statutory context for local service boards. It is a response to the previous criticism of the community strategy process, in that it was not strong enough on delivery. We have learned that this kind of duty has been introduced in Scotland, which has been generally welcomed. It is very much supporting what we are trying to do here and strengthening the statutory context for it.

[115] **Jenny Randerson:** If that is the case, why does the proposed Measure not mention

local service boards?

[116] **Andrew Davies:** It is because LSBs do not have a statutory status at the moment. They are voluntary arrangements.

[117] **Ms Evans:** Exactly. We always saw the model as a way of making the existing statutory structure work better. There are pros and cons. One could go on to ask whether the local service board model should be made statutory. As I said, there are arguments for and against that, but our approach is to work within the statutory framework and to try to make that structure work better by developing projects that address key issues. It depends on whether you think that a statutory framework is the key issue. There are many other issues, particularly the capacity at the local level to make progress on things such as child poverty and climate change. It is about analysing the evidence locally, prioritising where you can add the most value and converting that into a project that will do something. As I said, it is because local service boards are intended to be the gel that pulls the entire statutory structure together, rather than imposing a new statutory level that would possibly have a lot of bureaucracy associated with it.

[118] **Irene James:** You mentioned capacity, and witnesses have told the committee that capacity is a problem for some LSB partners, such as the voluntary sector. This is probably something that WAG has observed across the pilot LSBs. Can you give us any examples of where you are aware that capacity has proven to be a problem for LSB partners?

[119] **Ms Evans:** I met the voluntary sector leads on local service boards last week, and this was very much an issue that we discussed. It was interesting to find that there were very different perspectives around the table. Some of the county voluntary council leads feel constrained by their staff levels and capacity to take things forward. Others seem to be coping better and are using their resources in different ways, so, one of the things that we are committed to doing is to work with them to try to share expertise and experience.

[120] One of the key things is that CVCs are small organisations, but they receive significant funding from the Welsh Assembly Government to do partnership work, which is their core business. We recognise the constraints that they are under, but it is not about the CVC leads doing everything. The role that we are trying to work with them to develop is one where the CVC leads are present at the top table when the boards are thinking about how to influence things, but their role is to think about who else in their sector has expertise on this issue and could be brought in, such as, perhaps, a leader of a national charity. It is about them working in a way that mobilises others, but it is a big challenge, and I know that Margaret McLaughlin from Cardiff mentioned the number of groupings that she has to attend, but she said last week that she feels that she is able to influence things in a fundamental way, for example the Cardiff neighbourhood project, which is designed as a system that will get statutory services together. Margaret said, 'No, if this is going to really work, it has got to be about engaging with the neighbourhood as well, so it has got to have a community development focus to it'. She is a unique voice in that. So, there are constraints, but there are ways that they can overcome them in the way that they work.

[121] **Andrew Davies:** This is where the role of the Assembly Government official on an LSB can be crucial, for example, as Carys said, identifying a particular issue or constraint and being able to draw on resources. My understanding is that the Gwynedd LSB was struggling in one area, namely tackling climate change, and the catalyst there was identifying the role of the Carbon Trust, I believe, and being able to access its resources and advice. So, there has been a step change in the way in which the LSB is tackling that issue. Therefore, the role of the Assembly Government official is a key one, and I am now looking at other ways in which we can add to the capacity of the LSBs, by drawing in other Assembly Government officials who would complement the role of the lead senior official.

10.20 a.m.

[122] In addition, I understand that the Wales Council for Voluntary Action is looking at submitting a bid for European convergence funding—I am not sure of the exact title, but it is almost the Making the Connections priority of the convergence programme—in order to look at capacity building, which will help this process. There are many ways in which we and the local partners can identify ways around capacity problems, where they exist.

[123] **Helen Mary Jones:** The evidence that we have received suggests that local service boards, when they are being very effective, depend heavily on good relationships between senior individuals. Can you explain how the Government will ensure that the LSB model remains robust when those individuals are not there anymore, as it is inevitable that people will move on to different roles?

[124] **Andrew Davies:** I think that the key issue is trust. When I met with representatives from Carmarthenshire LSB earlier in the year, the key issue for them was building trust, not just between individuals, but between organisations, particularly with regard to collaboration between social services and the health community. It is about building on that and ensuring that there is continuity. Again, the key role for the Assembly Government lead official is to ensure that we are able to maintain that continuity. That is part of learning about the process; we need to be able to capture what the key lessons are, and continuity is clearly a key lesson. Perhaps Carys has something to add.

[125] **Ms Evans:** On the mutual gain, as you say, trust at the top is crucial, but it also about the project leads developing projects, such as the Carmarthenshire project on dementia, that are clearly adding value and overcoming problems. This is not about partnership being an add-on; this is about critical service delivery by the partners. Some areas seem to have a positive culture, so if a new person comes, there is a tradition of good partnership working that draws people in. We can help through Public Service Management Wales, which works with boards. You have to create an opportunity for people to sit down and say, ‘This is not working’, or, ‘How are we going to resolve disagreements?’, and to have that board development. We have quite a lot of expertise now in PSMW, with people who can help with that kind of issue and make partnership working part of the core skills set of leaders across the public service in Wales.

[126] **Andrew Davies:** We are very clear that we want to develop a distinct Welsh public service ethos, and part of that, as Carys said, is the work of PSMW. I feel that that needs to be taken to a different level, so I am developing the concept of a leadership academy, which would develop leadership and management skills among the future cadre of leaders and managers of the Welsh public service. Part of that would be to develop a distinct Welsh public service ethos around issues such as partnership working and developing the LSB process.

[127] **Helen Mary Jones:** We have touched a few times during this discussion on the input from Assembly Government officials, and I think that it would be fair to say that the evidence that we have heard indicates that all the local service boards have found that to be valuable. Is it anticipated that that input from officials will be permanent and ongoing?

[128] **Andrew Davies:** I certainly have no reasons to change my view on this. I think that it has been beneficial, and not just for the local partnerships in service delivery, because it has been hugely beneficial in changing the culture within the civil service and the Assembly Government. My saying this will probably be frowned upon, but I have always said that senior officials should get out more. I do not see how you can develop a culture of engaged leadership if senior civil servants spend all of their working time in Cathays park or local

Assembly Government offices.

[129] So, for me, it is about embracing the model of engaged leadership. I see the role of a senior official as an account or relationship manager, making things happen at a local level and facilitating where there are problems. Irene James asked about capacity, and they need to be able to access resources within the Assembly Government. For that to work, engagement at a senior level is needed.

[130] **Jonathan Morgan:** This is an interesting area. I could see the sense in officials being involved in the pilot scheme, but, if local service boards are to have a sense of ownership over what they do, finding local solutions to the difficulties that they face locally, I do not really see the future requirement for officials from the Assembly Government to be a part of those local service boards. I am conscious that the head of your department, Richard Davies, is also in the room this morning, and Richard sits on one of the local service boards. However, is it really feasible for there to be a long-term strategy of senior civil servants sitting on local service boards that are meant to be within the ownership of local organisations and are not about a working relationship between a local service board and the Assembly Government? I can see why it is required now, but, surely, the long-term objective must be to allow local service boards to fly the nest.

[131] **Andrew Davies:** That would be true if what the LSBs do were completely disconnected from Assembly Government priorities, but if you look at the priorities chosen by the LSBs and at the local delivery agreements—which are still, admittedly, in the very early stages—most of them are delivering the Assembly Government’s ‘One Wales’ programme. So, we have a vested interest as a Government—we are not only providing the policy context and the funding. If we are going to be confident at the next election that we are able to deliver on the ‘One Wales’ agreement, many of those priorities will have to be delivered by local authorities and other partners at a local level.

[132] **Jonathan Morgan:** This takes us down an even more interesting avenue, because, if that were true, you would want to see senior civil servants sitting on local health boards or NHS trusts, as they are currently constituted, or even sitting on local authorities helping to make decisions. You seem to be saying that you are not confident in public service organisations delivering your manifesto commitments and, therefore, you need a way of circumventing that by having a set of organisations that deliver them. I thought that local service boards were about getting these organisations to work better together to solve local problems, not delivering the ‘One Wales’ commitments of the coalition Government.

[133] **Andrew Davies:** As I said, if you look at the priorities agreed by the local service boards, they are largely also ‘One Wales’ commitments. If you go back to the rationale for the LSBs, the Beecham review clearly said that there needed to be collaboration, that there were problems of culture complexity and capacity at a local level, and that it needed the active engagement of the Assembly Government in order to drive the collaboration at a local level. I come back to the point that I made in response to Helen Mary: many of the issues that we are dealing with cross more than one local authority, hence the use of the Wales spatial plan, and the ministerial leads on those issues are driving that agenda. So, I do not see it as our having no trust in local delivery organisations; I would say that we have a mutual interest.

[134] **Jonathan Morgan:** Yes. However, you just said that, as you approach the next election, you want to be able to say with certainty that you have delivered on the agenda that you set out in the ‘One Wales’ agreement. That is your right as a Government.

10.30 a.m.

[135] However, the whole premise of local service boards was to get local organisations to

work better together and to get that partnership working, where, for example, there are problems with delayed transfers of care, waste management, or whatever, so that local organisations work better together to deliver local solutions to their problems. They were never set up to help the Assembly Government approach the next election with a degree of certainty that the 'One Wales' manifesto commitments had been reached; that was not the rationale for setting them up. I accept that, if what they are doing fits in with what the Assembly Government is setting out to achieve, that is great and is a wonderful coincidence. However, I am rather concerned that, somehow, the Assembly Government is now saying that it sees LSBs as a vehicle for delivering what it wants, as opposed to what the LSBs want to achieve locally. Did you wish to make a point on this, Helen?

[136] **Helen Mary Jones:** I will see how the Minister responds before coming in on it.

[137] **Andrew Davies:** As I said, the role of the Assembly Government official is to be able to facilitate local partnership working, as well as to be able to access resources that the LSB may not be able to access, finds difficult to access, or has not thought of accessing. I mentioned Gwynedd, where we were able to suggest the engagement of the Carbon Trust. In other areas, for example, Ann Lloyd, the lead official in Carmarthenshire, was able to access advice and support, not from within the health part of her portfolio, but on planning issues. Therefore, again, it is that relationship account management role that is crucial. They are not just there to ensure that LSBs deliver on our priorities as a Government—there is that element, but it is much wider than that.

[138] **Helen Mary Jones:** I will see what the Minister has to say in response to Alun Cairns's question.

[139] **Alun Cairns:** Minister, you have been specific in talking about the role of Assembly Government officials in the LSBs. You have also been specific in talking about senior civil servants, and the ones that you have highlighted are at the top end of the civil service grading structure. How sustainable is that, and what cost analysis have you conducted to establish the cost and the value?

[140] **Andrew Davies:** As I said earlier, it has been an extremely powerful tool in helping to change, and to continue to change, the culture of the civil service. We are a small country, and I do not believe that it is appropriate that we just adopt a model of governance based on the UK model, which is obviously much larger. Being a small country, the role of senior officials in helping to improve the service that is delivered locally and nationally is crucial. Most senior civil servants, unless they have worked in other organisations, have not traditionally been engaged in service delivery. The old Welsh Office was not even a policy-making body; and, during the Assembly's first two terms, the Assembly Government civil service had to develop a significant policy-making capacity. However, in most areas of our activities, we do not deliver services—we do in some areas, but that is not generally the case. Therefore, it is a powerful tool having senior officials engaged in the LSB process and actively involved in problematic service delivery issues. It has helped to change the culture.

[141] **Alun Cairns:** What about the cost?

[142] **Andrew Davies:** The cost is the salaries. However, over and above the £50,000 that we give to each LSB for taking the work forward, I do not know of any calculation of other costs, other than salaries.

[143] **Ms Evans:** The time commitment varies; often, it does not have to be a huge time commitment. The debate about different priorities is about the 'what'—what are people spending their time and attention on? However, much of this is about the 'how'. Local partnerships say is that the way the Welsh Assembly Government operates sometimes has a

huge effect on how they can deliver locally. We might roll out or start thinking about a new initiative in one part of the woods that has unintended consequences locally. Therefore, it is about taking that back to the centre. Sometimes, local partnerships can make assumptions about what the Assembly Government is trying to do, or what the priority is on a particular area, based on Chinese whispers.

[144] They can go to the Assembly Government official and ask whether it would be okay to bring two programmes together, because it makes sense locally. The official can then quickly go back and say ‘Why not?’ if it seems to make sense locally and add value. So, it is much more about the different ways in which central and local government systems and processes interact, and it is about trying to cut through some of that. It is not about trying to impose a particular priority in a particular situation, but about trying to make the system work better.

[145] **Andrew Davies:** A constant complaint of partners and stakeholders is that the Assembly Government can be difficult to deal with, and the system is very complex, even though we are a relatively small organisation, with only around 6,000 civil servants. That is smaller than many if not most local authorities in Wales, if you include teachers who are employed by local education authorities. However, it is very complex. I was struck by what Ceri Doyle, head of the Big Lottery Fund told me, which was that she regularly had to deal with eight different Government departments. That is complex and takes a lot of time. Building on what Carys said, the role of the senior Assembly Government official will be to facilitate that relationship and access to Government, and simplify it, where possible.

[146] **Alun Cairns:** There is a dichotomy between the pictures that the Minister and Mrs Evans painted. The Minister said that there is one public service in Wales, which is trying to achieve the Assembly Government’s priorities as well as local priorities, and the civil servant or official is integral to delivering those. The other version that we have just heard from Mrs Evans is of the official in a co-ordinating, almost a consultancy, capacity. So, if a local service board wants to merge the delivery mechanism of a local policy or project, it is acceptable merely to seek the general support or approval of that official. That is what I picked up from Mrs Evans’s answer, but I picked up a completely different answer from the Minister. Minister, would you say that your answer is about expanding the Assembly Government’s empire to deliver those sorts of projects locally?

[147] **Andrew Davies:** Your characterisation of mine and Carys’s view is wrong. We are saying exactly the same thing. This is about how we can collaborate on delivering better services for the Welsh citizen.

[148] **Alun Cairns:** Is the official there as a consultant, to support and bring people together and to step back when a policy is operating, or the official there to deliver and drive forward an agenda for the Assembly Government?

[149] **Andrew Davies:** Carys and I said that they are active partners in helping to secure local service delivery.

[150] **Alun Cairns:** But ‘active partners’ could mean—[*Inaudible.*]

[151] **Andrew Davies:** No, I would see a consultant as someone who is detached from the process, who you engage temporarily to advise you, but who is not part of the Executive. This is quite a different model. I do not think that Carys and I are saying different things.

[152] **Jonathan Morgan:** In all fairness to Alun Cairns, the issue is that, for the first time during this review, someone giving evidence to the committee has said that part of the rationale for local service boards, or how they are now being viewed, is to help the One Wales

Government to deliver its commitments. That is the first time that that has been said, and we were labouring under the assumption that local service boards were there to deliver local solutions to difficulties where there had been barriers to getting organisations to work together. So, in all fairness to Alun, he is right to ask the question, because there appears to be a level of difference in what has been said.

[153] **Andrew Davies:** I will clarify that, then, because it is not explicit that the LSBs are there to deliver the 'One Wales' programme for government. However, on the 22 local authorities and the priorities that have been decided by the local partnerships, most if not all of them coincide with Assembly Government priorities. For example, if you take young people who are not in education, employment or training, in Swansea and Cardiff, they have been seen as a priority and they are clearly a priority for us. However, we have not said to the LSB that it must deliver on the 'One Wales' agreement, as that is not its role. I am saying that a mutual interest has emerged, but it was not an outcome that was decided at the beginning.

10.40 a.m.

[154] **Jonathan Morgan:** Earlier, you said to us that, as you get to the next election, you will have to demonstrate whether the manifesto commitments and the commitments of the 'One Wales' agreement have been reached. You put that in the context of local service board delivery. So, even if there is no formal expectation for local service boards to be the delivery mechanism of 'One Wales', you certainly indicated to the committee that the local service boards had a role in helping the Assembly Government to deliver it. Whether they do it on their own without you asking them to do it is neither here nor there, but you said to the committee that there is an expectation that those commitments will have been delivered as you get to the next elections. That is why I put that question to you after you made that statement. It sounds to me as though you are trying to circumvent local authorities and public authorities, where you do not have direct engagement at senior-official level. That is why I put the question to you. Helen, do you wish to come in?

[155] **Helen Mary Jones:** Yes.

[156] **Jonathan Morgan:** This is an interesting point and it is the first time that it has been mentioned to us.

[157] **Helen Mary Jones:** On the relationship with officials, I am slightly surprised that some Members are surprised that the Government is using any mechanism available to it in trying to deliver its priorities. I would be worried, Minister, if you were not hoping that the co-operation through local service boards would help to deliver the 'One Wales' priorities, when those priorities involve working in collaboration. I support what you said about cross-fertilisation between public services, because many of us who have worked with civil servants in the past have found that they have not had real-world experience.

[158] I want to press you about the capacity, Minister, because the evidence that we have received so far has shown that the seniority of the civil servants who were involved in the six pilots was the key, which comes back to Alun Cairns's point. To do the very things that you have been describing, such as unlocking doors and cutting through some of the complexities and bureaucracy and so on, you need somebody in a senior position. Slightly contrary to what you, Minister, and Ms Evans have just said, the feeling that we got from the evidence of the local service boards was that they needed that person to be present in meetings, and to be engaged, as it did not work on a hands-off basis. I can see how that is sustainable when you are talking about six pilot schemes, but is it when you are talking about 22 local authorities? Given what you have already said about this being a small country with a relatively small civil service, Minister, my concern is whether the ongoing level of commitment required for that model is sustainable. I can see how you can set aside the time of senior civil servant for

six pilots over a couple of years, but can you make that last? In a sense, turning Jonathan Morgan and Alun Cairns's points on their heads, if you cannot make it last, what effect will that have on the local service board model? Is it the engagement of the Assembly Government official that actually makes the local service boards different from some of the other very effective partnerships? It has been suggested to us that it is, but if that is not sustainable, would the model face problems further down the line?

[159] I know that there are capacity issues in our civil service all the time. We also know that no politician is ever going to win an election by saying that more civil servants are needed, but people are the key to delivering and developing policy. If you have sent them out to make the local service boards work, they are not in, making central Government work—although I am not saying that the two are mutually exclusive. The important question for me is how sustainable is the engagement over time of a very senior civil servant? I know that it is very difficult to work out how much it costs, but there are resource implications to that.

[160] **Alun Cairns:** Could I make the point—*[Inaudible.]*—record of the NHS—

[161] **Helen Mary Jones:** In Carmarthenshire.

[162] **Alun Cairns:** In Carmarthenshire—*[Inaudible.]*—the responsibilities as director of the NHS?

[163] **Andrew Davies:** It is very interesting that all LSBs have identified the role of the Assembly Government official as key. I would say that it was necessary, if not essential. I do not know whether it is the only factor in helping the LSB process to develop and deliver on some key local service priorities, but it has certainly been crucial. My view is that it is sustainable. As a Government, we are committed to the LSB process. The previous administration commissioned the Jeremy Beecham review of government. This is in the 'One Wales' agreement and the Wales spatial plan, and we see this as being crucial to improving service delivery across Wales. We are therefore confident that the 22 senior officials who have been identified will be able not only to do their day job, but also to take the LSB process forward. If there are problems, we will need to identify them, but I have no evidence to suggest that we cannot sustain the model.

[164] **Jonathan Morgan:** Before we move on to Helen Mary Jones's next question, Jenny Randerson wants to come in on this point.

[165] **Jenny Randerson:** Alun used the term 'dichotomy', and I can see that dichotomy because the LSBs have come in and told us that having the Welsh Assembly Government official assigned to them is helpful as it enables the smooth running of the process and irons out problems at the Assembly Government end. Indeed, they said that it was helpful because many Welsh Assembly Government officials had never really had any connection with delivering services before, and the experience had taught them how difficult it is.

[166] However, I have a concern, which, I am sure, is shared by local government, that the official could be seen as some kind of supervisor rather than as a facilitator. Just because there is a coincidence of objectives at the moment does not mean that some future Assembly Government might not have objectives that are way off beam for local priorities. What concerns me is the exact nature of the WAG official's role. Is the role defined? Is it formally agreed? Is it written down with local authorities? Is that person in the room simply as a facilitator? Let me put it this way. If it came to the crunch, and a local service was not working well, would the official be likely, or is it within the official's remit, to report the matter to the Assembly Government, the result being that the inspectors would suddenly be called in, rather than the official making it work locally? Do you see what I am saying? Do you have a written definition of the official's job, and has it been agreed with local

authorities?

[167] **Andrew Davies:** It is contained in the prospectus on the role of the LSBs, which I believe the committee has copies of. I think that it is on page 14 of the prospectus.

[168] **Ms Evans:** It is in the original prospectus of January 2006.

[169] **Andrew Davies:** It sets out the role.

[170] Your introductory comments just confirm and repeat what I said earlier about how important it is to change the culture of the civil service by giving senior officials experience of working in a delivery setting. I will be open and just say that it is very early days, the role is evolving, and these are issues that we will have to resolve. However, we did not come up with a fixed model and then impose that everywhere. The role has evolved, and it will vary between areas, depending on how the LSB model evolves at the local level.

[171] **Helen Mary Jones:** I want to ask about the scrutiny of local service boards. We have explored this subject at some length with the different local service board representatives that have come to see us, and different models are emerging. What are your views on the best practice that is emerging with regard to scrutiny through the pilot schemes?

[172] **Andrew Davies:** I have said on many occasions that decisions that are accountable and transparent are by their nature better decisions, and that is equally true of the public sector and the private sector. Scrutinising LSBs has to be the key. It is not just about holding administrations to account; it is about how you improve governance and service delivery, and how you add value. That is absolutely the key. A lot of learning is under way in each LSB, but also in the Assembly Government, on what makes for effective scrutiny. However, there is a tendency to think that scrutiny is just about holding a particular administration to account, and that it is a limited role. Cardiff LSB has developed a clear role for scrutiny and it has embedded it within the LSB process. We are committed to developing it, and widening the learning that we have gained from the experience.

10.50 a.m.

[173] Within Government, Brian Gibbons, Minister for Social Justice and Local Government, has reached agreement with the Home Office so that the forthcoming local democracy, economic development and construction Bill will contain provisions which transfer powers to the Assembly in relation to governance, scrutiny and local government. We think that this area is fruitful for discussion, and I would welcome the views of the committee on how we might develop that.

[174] **Helen Mary Jones:** Thank you, Minister; that is helpful. The guidance on the governance of local service boards talks about vertical and horizontal scrutiny accountability. Can you expand on what the Government means by vertical and horizontal accountability? I think that I understand, but it would be helpful if it were clarified.

[175] **Ms Evans:** Vertical accountability is about every sector, and asking 'Who is your boss?' and 'Who is your governing body?' in relation to institutions such as the police, national parks, housing associations, local authorities and the NHS. All of those partners will have a different formal legal statutory accountability. The idea is that, if partnership is going to work, people must also have a sense of horizontal accountability at a local level so that they are working as a team and able to balance their own performance management framework, which will be about part of the picture, and pulling that together in a way that supports joined-up delivery for the citizen. So, the horizontal accountability is the local service board working as a team on issues, as the Minister mentioned, such as young people

not in education, work or training. For example, you may have the college performance framework, trying to get everyone on to courses, the careers service trying to make sure that the individual is on the right track, and the youth justice system concerned about a young person who has gone off track and is in trouble—they all have different targets but they need to work together better for that community and individual. That is what we mean by horizontal accountability.

[176] **Helen Mary Jones:** So, let me see if I have understood it. Vertical accountability is within their own organisation; for example, the way in which local government is scrutinised is clear, because that is the way in which each local authority will scrutinise the local government participants in the local service board. Horizontal accountability is the one that I am not sure about. Horizontal accountability is departments' accountability to each another, but what do we do about externally scrutinising that horizontal accountability? We have explored the roles of Assembly officials extensively, and their vertical accountability is obviously clear—it is to the Government and to Ministers; that is not difficult. However, to what extent are the Assembly officials, in their participation on local service boards, open to scrutiny in the same way as other local service board partners? It is an interesting question to explore, because I do not think that that is clear from the original prospectus—one would not necessarily expect it to be, because this is about a pilot and roll-out process. However, it puts civil servants in a different position if they are open to some form of democratic scrutiny—words I use carefully, because I do not mean that it works in the same way as a scrutiny committee in a local authority—because civil servants are not usually scrutinised in that way. To what extent do the different scrutiny models that are currently used test that?

[177] **Andrew Davies:** That is an interesting area, which could potentially be problematic. As a general issue, on the scrutiny process, it is appropriate for Assembly Government officials to be quizzed about operational matters, but I do not think that it would be appropriate for them to be quizzed about or scrutinised on policy issues, which are obviously political. Ministers should be accountable for policy, but officials can be accountable for delivery and operational matters.

[178] **Helen Mary Jones:** Let me put a scenario to you, Minister. Cardiff LSB has developed a scrutiny model that brings in outside partners and also uses local government scrutiny expertise. When the whole local service board is sitting there, should that include the Assembly Government official? Should she or he be sitting round that table? If so, it will be difficult for the people who are asking scrutiny questions, whether they are local authority members, police authority members or members of local voluntary organisations and local community representatives, to understand the difference between an operational matter and a policy matter—we sometimes struggle a little with that, and it is our full-time job. Have you come to any view about how that might be dealt with, or is it something that needs to be addressed? In this context, are you looking to establish a single scrutiny model, or will you continue to allow these different models to develop, as the local service boards roll out?

[179] **Andrew Davies:** We have given some thought to this issue of accountability and reporting in my regular meetings with Carys and the team. I still stand by what I said, which is that, for a local authority to quiz the members of an LSB—for example, if Carys was on that LSB—it would be appropriate for her to be quizzed on service delivery. I do not think that it would be appropriate for members of the local authority to quiz her about national policy. That should be addressed here and put to Ministers.

[180] **Helen Mary Jones:** I am sorry about this, Chair, but I think that this is a key point. To what extent would it be appropriate for that person to be scrutinised about local service board policy? Clearly, it would not be appropriate for them to say, 'I think that the Welsh Assembly Government policy on social services is rubbish'. That would not be something that they could say. However, taking Carmarthenshire as an example, where work has been

done around delayed transfers of care, I am trying to unpick to what extent the Assembly Government official is a full member of the local services board. If I were a local authority member or voluntary sector representative, I would expect to be able to ask the senior official from the local health board and the responsible local authority cabinet member, ‘Is this working? Is this not working? Why?’. Do you see what I am saying? I am sorry, I am not expressing this very well. They cannot be scrutinised about national policy, and that is fine—that does not happen here and should not happen anywhere—but if they are members of the local service board, and the whole local service board is being scrutinised about what the local service board has done, how would we differentiate between what is an operational matter on which the Assembly Government official could and should answer and what is a local service board policy issue on which they should not?

[181] **Andrew Davies:** As members of the local service board, they would be open to scrutiny, as would any other member. There would be a question of judgment from the relevant official about whether it was an operational matter or a policy matter.

[182] **Ms Evans:** These are exactly the issues that they have been looking at in some detail in Cardiff. They have identified what you said. An important part of this is the preparation, the management of the process and ensuring that people are focused on the problem that needs to be solved. We have been working on this with Welsh Assembly Government officials, because there are different models, as you said, but the principles are probably the same. The Welsh Assembly Government official is there to do what they can to unblock any national barriers to local delivery. It would be perfectly valid for that role to be scrutinised; someone from the scrutiny panel could ask, ‘What have you done about this issue in the Welsh Assembly Government?’, and they could say, ‘This is what I did, and I tried to do that’. Often, it is not so much a policy challenge issue as an explanation of what people are trying to achieve, what the barriers have been and what they have done about them. As long as it is practically focused on what they have done, what they have achieved and what stopped them from achieving something, that would be helpful.

11.00 a.m.

[183] **Andrew Davies:** What we are doing here is effective scrutiny, because it helps to sharpen up our thinking and you are able to ask or refine questions that we have asked ourselves. Again, I think that this is part of an effective scrutiny process. Another element of scrutiny is that to the individual citizen. One of my major concerns is that the LSB process could be just a public service delivery organisation talking to a public service delivery organisation; the voice of the citizen must be included. Otherwise, we could have the producer interest dominating the process, rather than that of the citizen or the service user.

[184] An innovation that we have introduced is that of the Kafka Brigade, which is a Netherlands-based organisation that looks at service delivery from a citizen’s perspective. The process is based on literally bringing the service user face to face with the service provider. Through my department, we have funded and facilitated the use of the Kafka Brigade in four LSBs. Swansea and Cardiff LSBs are looking at young people not in education, employment or training, the Bridgend LSB is looking at adults with severe learning difficulties, and Rhondda Cynon Taf LSB is looking at domestic abuse. I was privileged to sit in on the beginning of two of those sessions, one of which was in Swansea where there was a young man who came under the NEET category. Basically, he had fallen through the system. It was stark. We can talk about policy at a high level but this was about a young man who had been failed by the system. The intention was not to apportion blame, because there was a huge amount of investment and time going into sorting out the problem of NEETs. In the Swansea local authority area—my intention is not to single out Swansea; this could probably be replicated everywhere—there were 1,700 young people classified as NEETs who came from three postcode areas in Swansea, but 100 projects had wholly or

partly tried to tackle the problem of NEETs. Therefore, you have massive complexity. This is really what the Kafka Brigade is talking about: how do you make sure that the service user is at the heart of all of our considerations, and how do you deal with this complexity? This was a young man talking to all of these service providers who, every day, got up wanting to sort out the problem; they did not go to work thinking, ‘How will I screw the system up?’. They were there to try to help. For me, that is a very clear element of accountability, and we must not forget it.

[185] **Lorraine Barrett:** I think that my question has probably been answered along the way. I wanted to ask about the support available to the remaining 16 local service boards, if you think of the £1,000 development offer to fund various support services. What support will be available for the remaining 16 local service boards?

[186] **Ms Evans:** It would be the same. They all have the same level of support, as the pilot programmes for this year, and we have also said that it will be the same next year. It is not a lot of money but it enables them to do new things that they would not otherwise have done.

[187] **Andrew Davies:** That is in cash terms. On time, you can see the opportunity costs of having a senior Assembly Government official. Given the capacity problems that Irene James was asking about, we are looking to see whether we could second additional Assembly Government officials to work with local service boards where there are identified problems of capacity.

[188] **Lorraine Barrett:** Your paper also notes that some areas that were not in the pilot group have been keen to press on in parallel with the pilot schemes. Could you tell us which areas these are?

[189] **Ms Evans:** As I said earlier, they are all at different stages. However, Rhondda Cynon Taf is a good example; it is developing a number of projects through the local service boards. You have already mentioned domestic violence. Rhondda Cynon Taf has a project on child poverty, which is a key issue for the authority. I do not want to single people out, but it is a mistake to think that the pilot schemes are way ahead and in a different category from everyone else. They started sooner and they have made a lot of progress, but many others are just seeing this as an opportunity to do things that they know that they need to do. It is a way of strengthening work that is already happening, and they have grabbed that opportunity.

[190] **Irene James:** Your paper states that a set of innovation networks is being created to work on common challenges identified across the six pilot areas. The purpose is to share common issues and identify and disseminate best practice. Can you explain the role of the innovation networks further?

[191] **Ms Evans:** They are simply to bring together people in different local service boards who are working on common issues. For example, health and social care integration is something that many of them are working on, so it is about sharing good practice. Carmarthenshire has done a lot of work on this, ensuring that it is sharing good practice with others. There are some systems issues, such as sharing information between agencies, that go much wider than the local service board, and also the sharing of the analysis of problems. Flintshire, for example, has just used the local service board to do something that it needed to do anyway, which was to create what it calls the ‘Flintshire profile’. What Flintshire had was children’s needs assessment in one office, and different needs assessments in other offices, so the local service board has galvanised it to create one database for all of their key statistics on Flintshire—from an ageing and youth perspective, to an environmental perspective, and so on. That database will be the core information base that the local service board will use to measure progress.

[192] So, it is a fairly nitty-gritty thing, but you would be surprised how hard it is sometimes to pull that stuff together. Every time that they have to produce a different strategy, they do it all over again. So it is about pulling things together. Sometimes, there are underlying systems issues that will help the delivery of many other things.

[193] **Andrew Davies:** The Government and the public sector, like big organisations generally, find it difficult to learn from past or present experience, and that is why I see innovation as being at the heart of what we are doing. It is not innovation for its own sake; it is about how we can use innovation to deliver better services for the citizens of Wales. I have given innovation a very high priority as a Minister and I intend to set up a centre for public service innovation, probably linked with a leadership academy.

[194] Building on what Carys has just said, it is about learning from each other and from experience not just in the UK, but globally. As I mentioned earlier, we have engaged the Kafka Brigade in using new approaches to difficult service delivery areas, and it has set up four pilot schemes with Swansea, Bridgend, Cardiff and Rhondda Cynon Taf local health boards. The purpose of the centre for innovation would be to capture best practice so that we can learn from others in Wales, in the rest of the UK, in Europe and globally.

[195] **Irene James:** So that we do not reinvent the wheel.

[196] **Andrew Davies:** Absolutely.

[197] **Irene James:** The paper mentions a national programme of innovation to service delivery. Is this the objective that you are talking about, or is it just an umbrella term for the output of the innovation networks?

[198] **Andrew Davies:** It is very much about taking a national perspective, providing the facility and the resource. The LSB process will be part of that innovation as well as having a team of people in the Assembly Government to facilitate. As Carys said, perhaps it is about learning how different areas in Wales use information networks, for example, how Rhondda Cynon Taf is tackling domestic violence or how Swansea is tackling the problem of those young people not in education, employment or training.

[199] **Alun Cairns:** There have been calls in some areas to share performance management systems, which would lead us to Ffynnon. What has happened and what plans do you have?

[200] **Ms Evans:** Many of the local service boards are working on this and are trying to ensure that their performance management systems are more closely aligned. I do not know where they all are at on this. I am aware that local authorities like Powys have taken a fairly belt-and-braces approach, with all partners sharing information about the top three or four priorities that they are working on. That is part of a process of trying to identify where they could add value, by working more closely together.

11.10 a.m.

[201] **Andrew Davies:** We could provide a note on that.

[202] **Ms Evans:** Yes, I was going to ask whether I could provide a note on that. I am not confident enough to answer that in detail now.

[203] **Alun Cairns:** I will move on to my final question. Your paper states that the role of local service boards is to create a partnership system—and it lists the various partners—so that services are delivered efficiently. In practice, this means providing constructive challenges on performance, tackling barriers, and so on. I do not want to repeat the discussion

that we had earlier, but do you therefore see the local service board sitting at the apex of the strategic planning framework?

[204] **Andrew Davies:** Do you mean strategic planning at a local authority level?

[205] **Alun Cairns:** I was thinking of the planning of public services, rather than land development planning at local authorities.

[206] **Andrew Davies:** I will have to give this some more thought. The LSBs are looking at specific issues of service delivery where there are real problems across more than one area of responsibility; delayed transfers of care would be a classic instance. It would be about focusing on that level rather than stepping back and looking at the whole range of services that a local authority or the local health community trust would deliver. I need to reflect on your question and come back to you.

[207] **Alun Cairns:** Could we have a note on that? It is important, given the previous discussion that we had.

[208] **Jonathan Morgan:** Do you have a final question, Alun?

[209] **Alun Cairns:** It has broadly been answered.

[210] **Jonathan Morgan:** Then we move on to Helen Mary Jones.

[211] **Helen Mary Jones:** You have already touched upon the role of spatial plan Ministers with regard to the local service boards. Your paper says that they are well-placed to intervene to provide support, remove blockages and solve problems that require action across agencies. In the context of our earlier discussion about whose priorities are delivered by LSBs, could you explain what you mean when you say that the Ministers are well-placed? Is the potential intervention role of Ministers included in the governance arrangements for local service boards? Do they know that Ministers might be there to intervene?

[212] **Andrew Davies:** Not at this stage. This is an iterative process, both in the evolution of LSBs and the Wales spatial plan. The role of Ministers in the LSB process is not explicit at this stage. What I would say is that, while we have not set out to use the LSBs as a way of delivering Assembly Government priorities, those priorities have been identified at a local level and at an all-Wales level by local government. For example, last summer the Welsh Local Government Association's mini manifesto identified five priorities: waste management, affordable housing, surplus places at schools, adult social care and global warming. Those are the priorities identified by local authorities collectively, and they are major priorities for us as well. We have common and mutual interests, and we want to work with local authorities on sorting those priorities out, both at a local level and a national level.

[213] On the role of the ministerial lead, we would say that it is early days, and we have only started to address how Ministers might work at a sub-regional level. For example, Brian Gibbons is leading on north-east Wales, and Jane Davidson on the Swansea Bay area. We will look at how we can add value. It is not about intervening, but how Assembly Government Ministers can add value to the Wales spatial plan process, and to the LSB process where, for example, there are issues of service delivery that cut across more than one local authority area.

[214] **Helen Mary Jones:** Given what you have said, Minister, it may be a bit early for you to answer this question, but it obviously needs looking at. I took the word 'intervene' from your paper, so that was the root of that. It has obviously taken a while to put this work into the context of the work that the spatial plan Ministers might do. Do you have in mind a fixed

framework for how those Ministers might support the work of local service boards through planned, regular and structured interaction or are you seeing it at this stage as a more ad hoc process, with the Assembly official bringing in the appropriate Minister when there are things that the officials cannot deal with? Or is it too early to say?

[215] **Andrew Davies:** I think that it is too early to say. We really are at the beginning of the process. It is very much work in progress. It is something that the Cabinet committee on public service delivery, which I chair, has only just started to consider. This runs parallel to the experience of the senior official in the LSB process. In their day job, if I can put it that way, those officials will tend to be very focused on their department's priorities. Therefore, often, they will not have a wider perspective of service delivery issues, other than those within their department. I think that that can be true of politicians and Ministers too—they can be very focused on the needs of their departments. For them to be aware of wider issues and how not only their department but other departments can collaborate in taking a joined-up approach to service delivery will be powerful. That is why I have suggested that Ministers have this role whereby they can help to drive integration across many departments.

[216] **Jonathan Morgan:** In the paper it submitted to the committee, Cardiff Local Service Board said clearly that, without proper accountability structures and delegated powers in place, local service boards would be unable to deliver the expected service transformations. It is a very interesting piece of evidence. Will the Minister consider taking steps to give local service boards formal decision-making powers?

[217] **Andrew Davies:** I suppose that this question is akin to whether they should be statutory bodies. I would want to be convinced that the voluntary arrangements were not working and that a more formalised decision-making process would add value. I would need to see clear evidence on that before we went down that road.

[218] **Jonathan Morgan:** Are there any further questions from committee members? I see that there are not. Therefore, I thank the Minister and officials for being with us this morning. My apologies for detaining you slightly longer than anticipated, but this session has been extremely useful. My thanks to the Minister for Finance and Public Service Delivery and Carys Evans for answering questions.

[219] Before I close, there is one paper for the committee to note. It is the response from the Minister for Health and Social Services to my letter to her regarding the evidence and scrutiny session with the Welsh Ambulance Service NHS Trust on 22 October. Are there any other issues that Members wish to raise? I see that there are not. That concludes the meeting. Thank you.

*Daeth y cyfarfod i ben am 11.18 a.m.
The meeting ended at 11.18 a.m.*