



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

**Pwyllgor Deddfwriaeth Rhif 2
Legislation Committee No. 2**

**Dydd Iau, 15 Hydref 2009
Thursday, 15 October 2009**

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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

Jeff Cuthbert	Llafur Labour
David Lloyd	Plaid Cymru (yn dirprwyo ar ran Gareth Jones) The Party of Wales (substitute for Gareth Jones)
Val Lloyd	Llafur (Cadeirydd y pwyllgor) Labour (Chair of the committee)
Brynle Williams	Ceidwadwyr Cymreig Welsh Conservatives

Eraill yn bresennol
Others in attendance

Dr Rita Austin	Is-gadeirydd, Panel Annibynnol Cymru ar Gydabyddiaeth Ariannol Vice-chair, Independent Remuneration Panel for Wales
Richard Penn	Cadeirydd, Panel Annibynnol Cymru ar Gydabyddiaeth Ariannol Chair, Independent Remuneration Panel for Wales
Owen Watkin	Unigolyn Individual

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Sarah Beasley	Clerc Clerk
Joanest Jackson	Cynghorydd Cyfreithiol Legal Adviser
Sarah Sargent	Dirprwy Glerc Deputy Clerk

Dechreuodd y cyfarfod am 1.30 p.m.
The meeting began at 1.30 p.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Val Lloyd:** Welcome to today's meeting of Legislation Committee No. 2. Gareth Jones, Jenny Randerson and Sandy Mewies have sent their apologies for absence, and I am pleased to welcome Dai Lloyd, who is substituting for Gareth Jones. There are a few housekeeping issues, as usual. We are not expecting the fire alarm to be tested this afternoon, so if you hear one, it is for real and please make your way to the door at the rear of the room. All mobile phones and suchlike equipment should be switched off, as they interfere with our broadcasting equipment. We use English and Welsh in the National Assembly, as people choose. Amplification of the proceedings is available on channel 0 of your headset and simultaneous translation is on channel 1.

1.31 p.m.

**Gorchymyn Arfaethedig Cynulliad Cenedlaethol Cymru (Cymhwysedd
Deddfwriaethol) (Llywodraeth Leol) 2009—Sesiwn Dystiolaeth 2**

The Proposed National Assembly for Wales (Legislative Competence) (Local Government) Order 2009—Evidence Session 2

[2] **Val Lloyd:** For the record, I confirm that the committee is scrutinising the Proposed National Assembly for Wales (Legislative Competence) (Local Government) Order 2009. The purpose of today's meeting is to take evidence from Mr Owen Watkin, a member of the Councillors Commission expert panel in Wales, Richard Penn, the chair, and Dr Rita Austin, the vice-chair of the Independent Remuneration Panel for Wales on the Proposed National Assembly for Wales (Legislative Competence) (Local Government) Order 2009. I very much welcome you to the meeting, Mr Watkin. You are a member of the Councillors Commission expert panel in Wales, although I understand that you are giving evidence today in a personal capacity.

[3] We will move straight into questioning, if that is all right with you. I see that it is. I will ask the first question. For the record, will you clarify whether you support the general principle that legislative competence, as provided for in the proposed Order, should be conferred on the Assembly and do you consider that the proposed Order, as drafted, will enable the Government to achieve its policy objectives in this area?

[4] **Mr Watkin:** Thank you for your welcome. I confirm that I am speaking in a personal capacity. The agenda refers to the expert panel, but I have no remit or authority to speak on behalf of the panel and my views are my own. I support the making of the proposed LCO, and my view is that it would be desirable for the National Assembly to have primary law-making powers to be able to move directly to legislate in a field such as this. However, in the circumstances in which we find ourselves, I support the proposed Order. Having read the explanatory memorandum, what is sought in it seems to be incorporated in the terms of the proposed LCO and, to that extent, the policy as enunciated in the memorandum appears to be fulfilled in it. I have some other comments that perhaps we can explore later on.

[5] **Val Lloyd:** We will ask lots of questions. Thank you for that introductory answer, Mr Watkin.

[6] **Brynle Williams:** Good afternoon, Mr Watkin. Will you comment on the scope of the proposed Order, particularly on why you believe it should have a wider scope and how it should be widened?

[7] **Mr Watkin:** Based on the premise that the National Assembly as the law-making body for Wales should have powers, the scope should be as wide as possible, within the Government of Wales Act 2006, or whatever. Therefore, I hope that, in seeking to use the mechanism of LCOs, the Welsh Assembly Government would incorporate as much as possible within this one. There are things that are unknown. For example, there may be other policy issues to do with local government that are not brought to the surface in the explanatory memorandum or the information that we have before us that might well be incorporated in the proposed legislative competence Order. Therefore, I cannot say with 100 per cent certainty that it is as wide as it might be. It could be wider, but I do not know. As I say, there are other matters that might be involved.

[8] There is an issue with regard to the exceptions. I think that the scope could be wider, and that is to do with the voting system. That is one of the issues on the face of the documentation. As far as it goes, it seeks to do the job. I would think that the National Assembly should be able to maximise its powers in the interests of efficiency and effectiveness of Government.

[9] **Brynle Williams:** Other than the voting, have you any other issues that you would

like to see included in this?

[10] **Mr Watkin:** The nature of the proposed LCO is that it clothes the Assembly with the initial step of competency. The next step, when it has gone through Westminster and gets to creating Measures, is something else. I do not know whether the Minister proposes, for example, to have a look at the structure of principal unitary authorities with regard to having an executive split within unitary authorities in the same way as the Assembly has an executive split. If that is not included, and it is a pretty firm recommendation of the expert panel, it is a shame that the Assembly is not clothed with that to debate the issue at Measure stage. There are issues like that. For example, if I just touch, perhaps prematurely, on the voting system, I see that point (c) on the voting system is excluded. My view is that the Assembly is a competent body that should debate the issue of the voting system. In the event that it was clothed with those powers, it could come to a decision. The decision would be a matter of judgment of the Members of the National Assembly. That opportunity has been denied at present and although the Minister thinks that it is contentious, there may be other views in that regard that a good, honest public debate would help to identify and perhaps come to a conclusion upon for Wales.

[11] **Brynle Williams:** Diolch yn fawr. To move on, could you clarify the following sentence in your submission?

[12] 'It would be acceptable if the LCO were to grant powers for the National Assembly to make regulations, but not altering the existing powers of the principal authorities under the Local Government Act 1972.'

[13] **Mr Watkin:** I am most concerned about the avoidance of duplication. Having practised law and administration of local government for probably too long, the things that come to mind that you need immediately are clarity, simplicity and directness. If there is confusion, it is just inefficient. From reading the papers, and I have had the benefit of reading the debate held during the meeting of Legislative Committee No. 2 on 24 September, it seemed that there was an attempt, as I think the Minister said, to cut out the middleman. If the unitary authorities have this power and they are close to the community—I am a believer in subsidiarity—people should have a direct nexus in what goes on. If another loop is introduced, it seems that that might not help efficiency and effectiveness. When I say 'efficiency' I mean money. Everything that is to do with process costs money. In local government, we have been all too well aware of the costs of processes. If we are looking to be the most effective and efficient, we must avoid processes that are a drain on resources or create more expectation that needs more resources.

1.40 p.m.

[14] So, if unitary authorities have those powers, it would be much easier to clarify the powers of those unitary authorities, rather than create a new structure. My view is based on what I have read, and the Minister and others may have cogent reasons for developing that theme that I have not been able to pick up. My principled view is that it should be simple, effective and direct, and if unitary authorities are running it, and clarifying what they are doing, then let them get on with it.

[15] **Val Lloyd:** Thank you. That is very clear, Mr Watkin.

[16] **David Lloyd:** I will dwell a little more on the detail in matter 12.9 of this proposed legislative competence Order, which is about giving the Assembly competence over the electoral arrangements for community councils. You have touched on this already and, as you will be aware, the explanatory memorandum includes issues such as the number of councillors to be returned, whether or not community councils should be divided into wards

for electoral purposes, and all of those issues. You mention in your paper that

[17] ‘Neither the LCO nor the explanatory Memorandum explain how the powers would be exercised and there is no reference to the Local Government Boundary Commission’.

[18] Can you expand on your point and explain why there should be a greater exploration of the powers and involvement of the Local Government Boundary Commission for Wales?

[19] **Mr Watkin:** The drafting of this paper took place before I had read other documents, so it has been overtaken by time.

[20] In principle, I support the idea that the Assembly should have competence over these matters, and my view is that the whole suite of legislative measures to do with local government as a whole should be within the Assembly’s jurisdiction. The point of detail is that it would include everything, so there would be no need to refer to other bits of legislation, and the Assembly would be omniscient in this area. It also sits comfortably with other bits of legislation that the Assembly has enacted and has been involved with since its creation.

[21] Secondly, at this stage, we do not know what the detail of the Measure will be. There is no reference in the explanatory memorandum to the boundary commission, although I think that I have subsequently seen that, in the proceedings of the committee on 24 September, Dr Gibbons does make specific reference to the boundary commission. I just wanted to avoid the creation of loops and procedural systems that add delay and cost to the process.

[22] **David Lloyd:** You touched on the voting system issue, and different parties and individuals have their views on what voting system would be best placed to suit the needs of community councils, and, indeed, all councils. I take on board your point, which equates to my own, that if we are seeking LCOs, let us have the widest ones possible; otherwise, further down the line, we may have to apply for another one if we do not have a wide enough remit.

[23] Matter 12.9 specifically excludes the local government franchise. Do you regard that as a missed opportunity? Would you like to see matters of the voting system included in this proposed LCO or would it be better to have a totally separate LCO that incorporates the voting system?

[24] **Mr Watkin:** I think that the rationale that was offered—and I understand, with respect, what the Minister was saying—was to do with ‘closing the business off’ and doing a neat job, which is fine. However, the importance of the proposed LCO as we have it is such that the Assembly should be clothed with the competence to take a decision. It is not for me, as a lay person, to say what that decision would be, but this is an opportunity to gain that competence.

[25] Dr Lloyd, you are absolutely right to say that opinions vary with regard to this, but I just want to offer a feeling that, in the current climate, there seems to be an appetite or an opportunity for the voting system to be considered in light of issues at Westminster. That might be a way for the Assembly to be innovative and create a better solution for Welsh democracy by considering the voting system within the administrative area of Wales. If there is a proposed LCO going through the system, it would be a shame to have to delay and wait for a different one in a different climate and different circumstances. In principle, I think that the Assembly should have these powers.

[26] With regard to matter 12.9(a) and (b), there are issues of equality around the franchise and electoral registration. It is quite clear that, as things stand, there must be a single system. What is interesting is that the Assembly’s former Local Government and Public Services Committee, in its scrutiny project of December 2006 on electoral arrangements in Wales,

referred in detail to the electoral registration system. Why not get the powers? As I say, the same is true with regard to matter 12.9(c), so my view is that you should take the opportunity.

[27] **David Lloyd:** I am conscious of the time, Chair, so I will move on to matter 12.11, which is about providing the Assembly with the competence for the Welsh Ministers to make grants to community councils. You have reservations about that matter, so would you care to expand on them?

[28] **Mr Watkin:** I hope that I am not overstating the case, but I have a feeling that we do not know how this power to make revenue or capital grants would manifest itself. We know that local government, and all the public sector, is under a huge squeeze, and will be under a bigger squeeze in the future, so you have to look carefully at anything that takes resources away from real front-line services, such as social services, education, transportation, waste disposal, and that kind of thing. I know from reading around that people are anxious to place further responsibilities on local government, all of which dilutes the pot of money available, so the resource base is diminishing while demand is increasing. I hold that view as a general principle. To come back to the detail, and the question of how much we are talking about, if it is a matter of grants to help to fund elections, that is no problem at all. It would be a very good thing to help community councils and town councils to fund elections, especially when we have evidence of a low rate of interest in standing for election. Anything on that scale, it seems to me, would be right. I just did not want a dilution of this pot of money, which has already started to disappear.

1.50 p.m.

[29] **David Lloyd:** That is fair enough. Moving on to matter 12.12, I like your philosophical point—and I tend to agree with it—about the need to legislate on the relations between community councils and between community councils and county councils. Collaborative arrangements between those authorities are voluntary but are strongly encouraged by the Government, and I take it that this is an attempt to move on from a voluntary, collaborative arrangement and to legislate for it. Would you care to expand on your philosophical point about legislating for the duty to be nice to one another?

[30] **Mr Watkin:** Yes. If you are not in the top quartile, what is your action plan to be nice to each other? We end up in a bizarre situation. My feeling was why legislate just for the sake of it? I hope that I am not being derogatory to the Minister by putting it in those terms, but there is so much going on in which collaboration can take place that there does not have to be a backstop. I speak for myself only but, as a chief executive, whenever I received a letter saying that it was now mandatory to write a new strategy or policy, I would think, ‘Oh, another one to add to the pile on the shelf’. It would be another one to tick the box for, to say that you had done it, but you would have no heart for doing it because you would just be fulfilling a requirement. A far more dynamic and progressive attitude would be to say, ‘We have an issue here’—and that may be to do with the environment, with how best we can run playing fields, or how best we can engage the community in sustainable development or recycling—and you do not need a strategy to deal with that; you can go and talk to people and do it. That is my view, and I apologise if the paragraph is a bit tongue in cheek, but I just meant that I have a feeling—and I repeat that it is my personal feeling—that, often, the statute book is reached for when it is not needed. I think that we have seen too much of that in the past.

[31] **David Lloyd:** That is fair enough. We like to be entertained by the papers that come to us. [*Laughter.*]

[32] **Val Lloyd:** Especially if we are in agreement with them, is it? Jeff is next.

[33] **Jeff Cuthbert:** Good afternoon. I will start with matter 12.13, which deals with schemes for the accreditation of quality in local government for communities. There is no national programme in Wales right now but, in England, there is a voluntary programme, namely the quality parish and town council scheme. Do you think that we should have such a scheme? Should it have a voluntary basis or should it have legal standing and be statutory, and are there any drawbacks to that?

[34] **Mr Watkin:** This might sound as though it is in total contradiction to what I have just said about being nice to people, but this is a really important area. The competence and capacity of town and community councils is at the crux of what the proposed LCO is all about. You were talking about the expert panel. It is about raising the game. Some town and community councils are very good and very progressive, they are willing to undertake responsibilities, to push the boat out, and to do valuable things in the community but, unfortunately, they may be in the minority. There is an issue with the willingness of town and community councillors to engage, by taking training courses to increase their competencies, for example, or to do more. If it is satisfactory that town and community councils deal merely with low-level activities, perhaps all this is not required. However, if it is an overt intention to make them more competent, to enable them to engage with other bodies such as the principal councils, as we have just been discussing, and to change things in their localities, they need that competence. The reason for saying that is that, if they are looking for grants, they have to have the capacity and competence to write a grant application properly, and, if they are successful, they need the competence and capacity to project manage schemes. They also need the financial competence to report properly on the use of public money. If we are talking about clothing them with the wider powers, namely those that unitary authorities have under the Local Government Act 2000, and if they are to fulfil those opportunities, they need to change their degree of competence. To encourage them to do so, it is probably salutary in this case to have a baseline that would require them, as independent local authorities, to consider that. The pattern will be varied: some will wish to do so; others will not. However, at least it will raise the bar and require consideration.

[35] In my evidence, I go on to talk about earned competence. If they can demonstrate that they have the capacity and the competence, they can then undertake more and higher-grade activities. As it affects all local government, it would be a wise step to have a statutory requirement that town and community councils consider accreditation or ensuring that members have qualifications. Doing that fits in with the other things that the proposed LCO talks about, so there is consistency across the piece. It is an important area, and it should be done.

[36] **Jeff Cuthbert:** On this issue, in competency-based training more generally, there has to be a structure within which people are engaged as assessors to make the decision as to whether competent standards have been reached. Have you any thoughts at this stage about what that structure might be, what sorts of people might be assessors—for want of a better word—and how a programme of determining competence and its accreditation might be brought about? Are we still at a very early stage?

[37] **Mr Watkin:** I may be going out on a limb on this, but peer review has been effective for unitary authorities, via the Welsh Local Government Association. I cannot speak for Steve Thomas or the WLGA, but if you are talking about co-operation between levels of local government, peer assessments between unitary authorities and town and community councils might be possible. Another possibility is developing the capacity of One Voice Wales in that regard. The third possibility is to have peer reviews within the family of town and community councils. They can often be helpful, because it is colleagues talking to colleagues.

[38] **Jeff Cuthbert:** That is very interesting. I shall move on to my next question, which relates to matter 12.15, about the provision of information relating to local government to the

public. You mentioned that the expert panel looked at that quite closely and came up with a number of proposals. Could you tell us a little more about what the expert panel proposed, and how well the proposed Order and any subsequent legislation might help to get that through?

2.00 p.m.

[39] **Mr Watkin:** The expert panel felt that this was a crucial area, because we were of the view that it was bound up with the public's perception of local government, the willingness of people to participate in local government, especially at the town and community council level. We were thinking about the bread and butter issues that relate to all councillors who are not a part of the executive. It was about enabling the public to understand the varied roles of councillors. They may have the impression from the local press, or a general impression, that the only work that a councillor does is in county hall, whereas everyone knows that a great number of hours every week and month are spent by councillors on constituency and ward business. However, very few people, other than those who are involved in an issue, may know about it. So, the expert panel was anxious to support those councillors at unitary and town and community council level to be able to report to the public, to communicate to the public what they were doing, so that the public had a better appreciation of what was going on.

[40] Many of the recommendations are to do with this area. They move from, perhaps, a very significant issue with the legal separation of the executive and the non-executive, which would be a big structural issue, in aiming to give support to non-executive members on scrutiny committees and outside. Executive members also have ward responsibilities, which is something that might be forgotten. This is about raising the awareness and recognition of the multi-faceted role of councillors to enable them to talk to the constituents. Behind all of this is greater public engagement in democracy, in the sense that, if they know more of the positives with regard to what is going on, people may take a greater interest, which may increase the turnout in elections. It may even increase people's willingness to participate and to stand as candidates at town and community council level and at unitary authority level.

[41] So, since 2000, the concentration has been on big structural issues in the unitary authorities; perhaps we need to refocus on how we support the ordinary member in the vital work that is done in the wards and constituencies. That is the broad thrust of what the expert panel said. I understand that, although this has been published, it is still out to consultation and the Assembly has yet to give a detailed view of it, although I am heartened that the Minister, in the memorandum, seeks to have the powers to do the things that are mentioned in the recommendations.

[42] **Jeff Cuthbert:** Thank you. We will move on to matter 12.16, namely competence over issues relating to salaries, allowances, pensions and other payments and so on. Do you think that legislative competence is appropriate in this matter? If so, why?

[43] **Mr Watkin:** I do think that it is appropriate. The reason for that view is that it is extremely important to take any decisions with regard to specific allowances out of the hands of the recipients and to place it into those of an independent body. That is the first matter of principle. Recent events would support that view. The second thing comes back to the early discussions. As the National Assembly is the competent law-making body for local government, it should have that power; it is part and parcel of that area of responsibility. The independent panel will give evidence later this afternoon. It has worked assiduously and very well in preparing recommendations. I am glad to see that the proposed LCO would enable the Minister to make proposals for Measures based on those recommendations. So, I think that it is appropriate. By being clear about this and by making explicit how it reaches decisions with regard to this contentious area, the Assembly can show innovation, clarity and the highest possible standards in public life.

[44] **Jeff Cuthbert:** The final matter to which I will refer is matter 12.17, which relates to promoting and supporting membership of local government institutions for communities and county councils and county borough councils. What proposals does the expert panel have for promoting and supporting those institutions? Will this proposed LCO, and any subsequent legislation, assist in that?

[45] **Mr Watkin:** To take your last question first: it probably will, because if we have the power to do something, that will provide assistance. The expert panel is concerned with supporting councils, so we have a range of issues to consider. We have touched on communications, so I will not take up more time on that. Other issues include annual reports, websites, supporting the diversity of councillors, particularly to ensure equality and that hard-to-reach groups are properly represented, and to enable councillors to make that contact. Training and ongoing support are vital. There is reluctance among elected members to attend training courses, which, to my mind, is disappointing. If the ethos changes, they may feel that it is the right thing to do, rather than perceive it as another task to undertake. The worst feeling possible is the experience of organising a training course to which only a handful of members turn up, when the entire membership could be attending. So, a step change is required. We discuss asking the independent remuneration panel to consider providing an allowance to enable members to communicate better. We also discuss better policies for maternity, paternity and caring leave for councillors, taking the view that the town and community councils are the closest to the community—they are the community and councillors need that support to enable them to fulfil those roles.

[46] I will not go through all of the recommendations, because you will be having another session on them, but, in totality, we are concerned to enable councillors to be in the best position possible to fulfil all of the roles required of them, including those that the public expect of them.

[47] **Jeff Cuthbert:** My final two questions are on definitions and interpretations. Do you have any views on the use of the term ‘local government for communities’ rather than ‘community councils’ and whether that is right or meaningless? Finally, with reference to matter 12.14, what activities should be in the scope of public participation in local government for communities? Do you have any comments on those definitions?

2.10 p.m.

[48] **Mr Watkin:** I have revised my thoughts about this. There is a tendency to take it as read that there will be a definitions section at the end of an Act and, if you have to, you refer to it and assume that you know what the interpretation is, but this is slightly different. On re-reading, there are subtle changes in the terminology used in the proposed LCO. For example, matter 12.9 states,

[49] ‘electoral arrangements for elected local government institutions’.

[50] That is okay; I can understand that, although the term ‘institutions’ might be a novelty in terms of statutory definitions. Then, in matter 12.10, which is the next one, it says:

[51] ‘conferral on local government institutions for communities of powers’.

[52] In matter 12.10, it refers to the general competencies of doing anything for the social, economic or environmental benefit of the community, although I must say that sustainable development is omitted, which I think is an issue worth noting. There is a difference between the definition in matter 12.9 and matter 12.10. Then, if we go to the definitions section, it says:

[53] “‘communities’ means separate areas for the administration of local government’.

[54] Since the Local Government Act 1972, the definitions sections say that principal authorities are county councils, county borough councils, and town and community councils. So, we are beginning to have a different nature of definition. I read the explanation given by Ms Deborah Richards in the meeting on 24 September and she seemed to be suggesting that the point of the proposed LCO was to give a very wide interpretation and that any Measures would then be more explicit with regard to the particular issue that was the subject of that Measure. Having read what Ms Richards said, I was expecting that there would be a differentiation in the matters between explicit reference to town and community elected councils and, in other cases, references to community meetings. I think that you made the point, Mr Cuthbert, in this discussion about the value of an informal meeting, but that that meeting could turn into a more formal arrangement were six to demand a change in status. I am just wondering whether the interpretation issue at this stage, and I am no expert on this, is just a matter of moving through the LCO bit of the process: the definition is vaguer than it might be in the Measure and the Measure will be the law. I think that I understand the thinking behind the proposed LCO, which is to clothe the Assembly with the competencies to deal with all kinds of meetings, whether they be elected bodies or informal meetings that might—

[55] **Jeff Cuthbert:** They might be called formally.

[56] **Mr Watkin:** They may be meetings that have been called formally and that are there for a specific issue and they might dissolve afterwards—meetings that have no continuation. When you move to the area of the exercise of legal powers and the expenditure of public money, there has to be a much tighter definition and it has to refer to specific elected authorities.

[57] **Val Lloyd:** I know that it has been a long session, and I apologise for that, but may I clarify something? In your answer to Jeff, you spoke about matter 12.15, which is the provision of information relating to local government to the public and I just need to clarify that what you were saying was two-pronged, in that it was important to, first, empower councillors by giving them the skills to do the job and, secondly, to ensure that the public acknowledges the range of activities that councillors undertake, in addition to attending and sitting in meetings. Is that what you meant?

[58] **Mr Watkin:** Indeed, yes.

[59] **Val Lloyd:** Thank you. Could I also follow up on your point relating to the omission of sustainable development? Could you elaborate on that?

[60] **Mr Watkin:** Which section was it? Joanest will remind me. Under section 2 of the Local Government Act 2000, unitary authorities were given what was thought to be a general power of competence, but it is a bit more restrictive than that, to promote the economic, environmental and social interests of their communities. Section 2(2) mentions creating a community strategy, which will promote sustainable development.

[61] Now, as I said, there is no expectation that community councils will have to have a community strategy, as that is beyond their need. That is a shame because, with sustainable development being such an important issue these days, with global warming and recycling and everything, it was an opportunity to pinpoint this issue—whatever they do, they should look at issues through their sustainability glasses. As it attached to unitary authorities, and as these are independent local authorities, it should attach to them.

[62] **Val Lloyd:** That is very helpful. We will just bring this part of the evidence-gathering session to a close. Before I do that, are there any other points that you would like to make that have not been covered in the questions?

[63] **Mr Watkin:** I thank you for this opportunity to address the committee. I do not think that there are any other issues, because the questions have been searching and wide ranging.

[64] **Val Lloyd:** On behalf of committee members, thank you for your contribution. A draft transcript of today's proceedings will be sent to you by the clerk to check for accuracy. As soon as it is ready, we will send it on to you.

[65] **Mr Watkin:** Thank you very much. Diolch yn fawr.

[66] **Val Lloyd:** Members, we will now break for five minutes.

*Gohiriwyd y cyfarfod rhwng 2.16 p.m. a 2.23 p.m.
The meeting adjourned between 2.16 p.m. and 2.23 p.m.*

[67] **Val Lloyd:** I very much welcome to the meeting Richard Penn, who is the chair of the Independent Remuneration Panel in Wales and Dr Rita Austin, who is the vice-chair of that panel. If it is okay with you, will move straight into questions. I see that it is. I will ask the first question. For the record, can you clarify whether you support the general principle that legislative competence, as provided for in the proposed Order, should be conferred on the Assembly?

[68] **Mr Penn:** I apologise for sending my letter to the committee rather late, but I did not get the e-mail for some reason, so it was a late submission. However, as I said in my letter of 5 October, all the panel, including me, support the general view that legislative competence on local government matters should be vested in the Assembly rather than the UK Parliament. So, in general terms, we very much support the proposed LCO and its objectives. Again, for the record, I said in my letter that it did not seem appropriate to comment on some of the matters in the document because they relate to community and town council matters, and we have no remit for that, but other matters are directly related to our work. I also made some comment on other matters but, if you wish, I will come to those when you ask me about them.

[69] **Dr Austin:** I agree with what Richard has said.

[70] **Val Lloyd:** I will not automatically do that. Whoever chooses to answer the question, please do so, and if the other person wishes to speak, I would be happy with that.

[71] **Brynle Williams:** Do you believe that the proposed Order is wide enough?

[72] **Mr Penn:** From the point of view of the panel, it covers the matters that are of interest to us. As I said in my first response, it would be nice if competence for local government generally could be transferred to the Assembly but it cannot and it has to be done in sensible chunks. This particular chunk, as far as our panel is concerned, provides sufficient scope for us to hope that some of our proposals will be able to get a positive response from the Assembly as a result of this legislation. Therefore, the answer is 'yes'; it is wide enough for our purposes.

[73] **Dr Austin:** I would agree with that.

[74] **Brynle Williams:** Are there any other matters outside of the scope of the proposed Order that you believe should be included, or you would wish to have included in this?

[75] **Mr Penn:** I have no comment on that.

[76] **Dr Austin:** Not from the panel's point of view.

[77] **Jeff Cuthbert:** My questions relate to matter 12.16. You make it very clear that that is your main interest and you also point out that your mandate does not currently extend to the national parks, fire and rescue services and community councils, but you would prefer if the panel's remit did include them. I will put the two questions together. Can you explain a little more about your panel's consultation with the stakeholders and its findings in respect of councillors' remuneration, and add anything more that you wish to tell us about that? Also, in the summary of responses that we had from our consultation, there was some resistance to the idea of community and town councillors being remunerated, or if they were to be, it should be a matter for the council's discretion. Did your panel consult with community councils at all, and if so, what were their views?

[78] **Mr Penn:** I will start, but I am sure that Rita will want to come in on this. To deal with the second question first, although we may well have spoken to many town and community councillors in our consultation, it was because they were members of principal councils and not because they were town and community councillors. Although we had one evidence session involving One Voice Wales, we did not specifically consult with town and community councils. There has been no debate at the independent remuneration panel level about the issue of remuneration of town and community councillors. Therefore, we have not formed a view on that. We have talked about the extension of our remit to cover fire and rescue authorities and national park authorities. Similarly, town and community councils are public bodies. It would make sense, in principle, for a remit for a panel like mine to extend to those local government bodies. It is a very big responsibility because we currently deal with 22 unitary councils. I can never quite remember how many town and community councils there are, but there are more than 22. I am sure of that. There are probably several hundred—

[79] **Jeff Cuthbert:** I have around 22 in my own constituency.

[80] **Mr Penn:** Yes; quite. It is a big ask. Unlike unitary councils which, by definition, are all the same in terms of their powers, although very different with regard to other issues, town and community councils are very different, ranging from town councils that have full-time staff and budgets of their own and so on, to very small bodies that do not have any resources to speak of and no staff. Therefore, they are very different bodies and while I am sure, speaking on behalf of the panel, that we would be glad to consider the extension of our remit to those bodies, we have not done so and we do not have a view on it.

2.30 p.m.

[81] On the second point, I will hand over to Rita in a moment to talk a little about the consultation and what it produced. I hope that I can take two minutes just to explain what our panel does, because I read the Minister's submission to your meeting, and while I would hate to disagree with him, or to qualify what he said, what he said is not quite what we do. We are not a body that recommends anything to anyone; we are a body that makes its own decisions. We do not have the powers to do everything that we would like to do, but we do not recommend anything to anyone. We take decisions, and we are responsible for establishing, amending, developing and updating the framework of allowances for all county councillors in Wales. That is what we do.

[82] We produce a report every year, and we are in the middle of finalising a report that will set out our determinations for allowances for 2010 to 2012. However, because there are other issues that we want addressed, we have produced a policy document, which was circulated widely within Wales—obviously to local government and its various stakeholders.

That policy document set out some of the issues that we think need to be addressed by the Assembly through additional powers. We are currently, as a panel, not only setting out our determinations for next year, which is fairly simple in some ways, but trying to develop, through responding to the consultation, our ideas about how the framework should be developed and set up in future years. Many of our thoughts on that depend on this piece of legislation. Rita, do you want to pick up on the consultation?

[83] **Dr Austin:** Yes, but only to reiterate what you have said about town and community councillors. If we met town and community councillors, they did not make themselves known to us as such, but, certainly, if you wish the panel to consider their remuneration, I am sure that the panel would take on that task. Before I move on to the consultation, I will just say that we had a very productive meeting with the fire and rescue authorities and the national parks authorities in Llandrindod, at which we saw representative members and officers of all the national parks, as well as the fire and rescue authorities. They are keen for the panel to take some responsibility for their remuneration, and, at the moment, the regulations state that they are required to take note of our recommendations. So, they are keen for the panel to take that on, but we have not spent much time on it.

[84] What we have done this year is consult extensively with local government, which I will say a few words about. We started off the year by issuing an electronic survey to all councillors, which was done through each of their democratic services officers. We achieved a 30 per cent response to that, which I am told is very good, particularly for councillors who still find modern technology daunting, because they had to respond to it electronically. The purpose of that consultation was to try out some thoughts and to test what knowledge councillors had of the present system, because the sort of feedback that we had been receiving, informally and sometimes by way of letters, suggested to us that councillors did not understand the existing system.

[85] As a result of that consultation, we decided to undertake a series of visits to every single unitary authority in Wales. So, we and our colleagues visited all 22 authorities between February and June, which means that each of us went to about eight councils. We must have seen close to 500 elected members, which means, given that they number 1,264 or 1,246, or something of that order, that we have seen a fair proportion of them in face to face meetings. The councillors who we met were pretty well distributed between the senior members—the leaders, the deputy leaders, the majority parties' opposition leaders, as well as many backbenchers, to whom we asked specifically to speak. We have met chairs of scrutiny committees and chairs of regulatory committees, so I do not think that there is a species of local councillor that we have not met with. We have had a good set of roadshows up and down the country, which formulated our views even more firmly, and we issued a policy paper, to which Richard has just referred. We asked for views back on some positions that we were forming quite clearly in our minds, and, by and large, got a positive response. This time we did not make the 30 per cent—it was more like 20 per cent, I would guess—but it had to be done over August, unfortunately, because that was the way that the timetable went.

[86] So, I do not think that it can be said that we have not consulted with people. We have consulted very widely with a lot of people, and we have heard from the WLGA and others that people are very appreciative. I have to say that all of the panel members have been really enthused by this process of consultation—enthused about the work of local government, and keen to ensure that members are remunerated appropriately for the service that they provide and the civic duties that they perform. It remains a matter of concern to us that local government does not get the press that it deserves, or the understanding. From our point of view, it has been a most useful exercise, and I hope that, in our future work, if we get the powers that we would like through the proposed LCO, we will be able to deliver much better for local government.

[87] **Mr Penn:** May I pick up on that point? Following on from Rita's explanation of the feedback that we have had from this consultation over the last eight or nine months, we set a framework—it is our framework; we do not recommend it to anyone—and for those who have not seen it, it is quite complicated. Although there are only 22 authorities, they are all different sizes, and so on, and so the framework is based partly on the size of authority. The authorities are grouped into population bands, and then the actual functions, from the leader down to the most junior special responsibility holders, and there is also a uniform, basic allowance for all county councillors. It is quite a complicated process, and, as a result, we have been able to reshape the framework, and that is our determination for next year: to simplify it, taking some things out and putting others in. Just in passing, the only issue that has produced quite a bit of reaction is our proposal to remove the role of vice-chair from special responsibility allowances; we have had a lot of negative reaction to that, especially from vice-chairs, strangely. However, we are trying again, within the context of the limited sum of money available to local government, to make the framework more rational, and the framework that we look like producing may well serve to save some money for the majority of authorities. That is our role.

[88] I said earlier, Chair, that we did not recommend that framework to anyone—that is, anyone except the local authorities themselves. They can do with it what they will. They cannot pay more than our recommended maxima, and they cannot award more special responsibility roles than our framework sets out. They cannot go beyond our framework, but they do not have to adopt it, and, indeed, one of the things that we picked up early on is that some authorities, in fact, I think, the majority, do not pay the maximum basic allowance and special responsibility allowances that are set out in our framework, and that has been the case for some time. The message that we have been getting from local government consistently, almost without exception, is that local government wants us as a panel to prescribe the framework; so, not to recommend maxima, and so on, but to prescribe it. The reason for this is quite simple: every year, each council has to have a public debate about allowances in response to our determinations, which can get very messy, can attract bad publicity, and can be difficult politically. It makes sense, from that perspective, to have a framework that is prescribed by an independent body such as ours. The five members of my panel are all independent people, and we come at this from the basis of evidence, and that is why we have faith in the framework that we are creating. Local government wants us to have the powers, through this legislation, to prescribe the framework rather than recommend it to them. I just wanted to make that clear. I said that we did not recommend, but we do recommend, and that is the problem. It is a recommendation to the 22 unitary authorities.

2.40 p.m.

[89] **Jeff Cuthbert:** I would just like to say, Dr Austin, that I very much understand the point that you make about not getting fair coverage in the press.

[90] The next question is about the problems with the current framework that you have and its constraints. You have probably already answered that, but if there is anything else that you want to add about how the current framework acts as a constraint on the panel, please do so. Could you also expand on the 'other reasons' why you support this proposed Order?

[91] **Mr Penn:** I believe that I have done that in general terms. There are some other points. I am not quite sure where to pick up these other points about the other concerns that we have as a panel. One of them, interestingly, relates to another matter, namely matter 12.17, I think.

[92] **Jeff Cuthbert:** I believe that there will be questions on that later on.

[93] **Val Lloyd:** I will give you an opportunity at the end to catch up on anything that you

have not said but wish to say.

[94] **Mr Penn:** One of the things about the current framework is—again, this is not so much about legislation, although there may be some legislative implications that could help the allowances framework to work better—that, as I said a little while ago, it is made up of two elements. The first is a basic allowance that all county councillors get, which local government wants to be prescribed. Members can also get quite substantial sums of additional money by way of special responsibility allowances, and those members would be leaders, cabinet members, committee chairs, opposition group leaders and so on. What has come out clearly in our consultation is that there is an issue about public confidence in the value for money of this work of being a councillor. It is pretty clear that leaders of councils, particularly of the bigger authorities, are very busy and work very hard for their special responsibility allowance. The situation is not so clear—some of the evidence that we had was quite negative on this—with regard to the ordinary, backbench councillors, who are assumed to work three days a week on council business. That does not just mean going to meetings in the county hall but also includes their community work, fulfilling their community leadership role and so on. It is not so clear whether or not the people who are getting that basic allowance are earning it, if I can put it as bluntly as that. We have consulted quite a lot—

[95] **Jeff Cuthbert:** Do you think that that is in any way—please say no—a reflection of having the cabinet system as opposed to the old committee system, or is it nothing to do with that?

[96] **Mr Penn:** No, I do not believe that it is. There is a side issue there that those who hold special responsibilities, particularly leaders and cabinet members, are assumed in our framework to work full time or nearly full time, so it is a bit difficult to see what they do for their basic allowance in terms of their constituency work and so on. We have evidence that some leaders do a lot of that and that others do less and let others do it. So, there is a philosophical issue there about why they also get the basic allowance. There are some very deep and difficult issues around this.

[97] However, the point that I was making was about the evidence that we heard. Through this electronic survey, we tried to get some feel for how many hours elected members work, and I think that the average was 27 hours a week, which is three days plus a bit. Some say that it is full-time job, that they work every weekend and evening and they are doing something every day—

[98] **Dr Austin:** And that they do not even get Christmas Day off.

[99] **Mr Penn:** That is true. Other evidence that we heard was that some councillors do very little for the allowance. The only obligation on a councillor is that he or she must attend one meeting every six months to secure his or her allowance. So, it is a touchy subject but, as a panel, we have been looking at what we can do to assist in terms of the public perception and the reality of the value for money that the community gets from giving these allowances to councillors. We have talked about having some kind of annual reporting system, and about having an annual report by each member on the website, to keep track of the meetings that they attend.

[100] **Val Lloyd:** We have a number of questions and a time limit. I think that you have almost answered Jeff's question. There are other Members who wish to ask you further questions.

[101] **Mr Penn:** Thank you, Chair. The point that I was coming to was that, through legislative competence, the Assembly may be able to make provisions for the requirement to demonstrate value for money through some performance management mechanism.

[102] **Val Lloyd:** Thank you. Dai, you wanted to come in.

[103] **David Lloyd:** My question was partially answered by the last point. It is not to do with the legislation, as I would like to press you further on your general work. Some of us here have also been county councillors and realise the degree of commitment that it takes. With regard to the public perception work that you do, which influences the level and amount of remuneration, do you take on board the fairly popular public perception nowadays that councillors should not be paid anything?

[104] **Dr Austin:** As to whether we take it on board, the point has been made to us, and when it is made, it is not backed up by any evidence. Once you begin to counter it and say that the leader of the local authority has these sorts of responsibilities, and that even a backbench councillor has these sorts of responsibilities, people row back and say, 'Ah well, they should be paid something.' The question is what they should be paid. It is extremely difficult to come up with comparators for leaders and deputy leaders. There is no other job—Richard knows this from other work—that is equivalent to that of a leader or a deputy leader.

[105] With regard to backbenchers, when you think of being a backbench councillor as a job, there is certainly a question of performance that relates to it. Councillors have said that to us themselves—we were far too polite to put it in any consultation. On the first visit that we went on, we were told, 'Some of our colleagues arrive late and go early from meetings, and do not pull their weight.' However, there are others who say, 'We are not so interested in committee work; we are much more interested in our constituency work.' So, there is a distinct tension between constituency and committee work. With regard to some of the comments that we are getting back on removing the special responsibility allowance from a vice-chair, a vice-chair will very often not do much more in a committee than an ordinary backbench committee member does, but will be remunerated fairly well for what he or she is not doing on that committee.

[106] Any suggestion that councillors should not be paid can be rebutted very significantly, and should be rebutted. The fact that it is not rebutted rests on the point that even councillors find it difficult to express what their responsibilities are. Regulation calls our allowances 'basic allowance' and 'special responsibility allowance'. You might ask, 'Why is that not called 'salary'?', and that is a question that we have debated on our panel. Everyone understands that a special responsibility allowance attaches to an additional responsibility. You can spell out a leader's responsibility and a cabinet portfolio holder's responsibility, but try setting out the basic responsibility for which you receive the basic allowance as your remuneration. The WLGA has tried to do so, but it is far from accepted widely in local government that this is a basic responsibility. If the proposed LCO can give us the room to require a statement on the basic responsibility that is to be discharged by every elected member who receives a basic allowance, you will have served local government very well, and you will have served the perception of local government very well.

[107] **David Lloyd:** I could go on, but I will not.

[108] **Jeff Cuthbert:** I think that you have dealt with the final question, but in case there are any small points that you want to add, do you want to outline any more proposals from your panel in respect of councillors' salaries, allowances and pensions and how the proposed Order will assist in their implementation? We have probably covered that, but is there anything that is outstanding?

2.50 p.m.

[109] **Mr Penn:** I have two small points to make, Chair. I would like to respond to the point

about testing public perception. We have not done that. We toyed with undertaking a wide-ranging consultation. We shied away from it, but we are coming back to it and we will probably have some sort of citizens' jury process.

[110] **David Lloyd:** The basic allowance is very important. A councillor in a full-time job has to pay someone, for example, the locum GP while he or she is attending county council meetings. If you say that there will be no basic allowance, then you will not get people in full-time employment.

[111] **Val Lloyd:** Would you like to give evidence to the committee, Dai?

[112] **David Lloyd:** I could offer help if you want it in this regard. Everyone always asks why those who stand are retired or away from work because of long-term illness; well, that is the reality of it if you do not pay the basic allowance.

[113] **Mr Penn:** That is where it plays into the expert panel, on which I sat, along with Owen Watkin. We looked at the issues relating to encouraging people to become and remain as county councillors. Far too many serve one term and then find it too difficult or too costly and move away from local government.

[114] I would like to make two further points. Our policy paper contains a lot more and I will not take your time this afternoon with the nuts and bolts of it, but there are two issues that may have legislative implications. The first relates to those county councillors who are paid from the public purse for doing more than one job, allegedly full, or almost full, time. There are some very high-profile examples of that, which I will not refer to. However, it is an issue for us if the assumption that we make in our framework is that the post of leader of a council is a full-time role and his or her remuneration is based on that. It is a matter of concern for us and others that some of those people and cabinet members are also being paid for public roles, which are also assumed to be more or less full-time. At the moment, as we have no powers in this area, the panel says that that should become a matter of public record, in the public domain, and a statement should be published by councils about those members in that position. It may be that there is a legislative implication about not facilitating that in the future. That is one issue that might be of interest to you.

[115] The second relates to matter 12.17, about the support for, and working conditions of, serving councillors. Once again, I do not want to bore the committee with regard to how we arrived at our determination on the basic allowance, which, for information, is something like £13,500 per year. So, it is not unsubstantial; it is based on a formula that I will not attempt to remember. It is based on three days per week. When it was originally set, many years ago, before our panel was set up, there was an assumption that £1,000 of the allowance, which I think was around £10,000 at the time, was for support of various sorts, such as postage, telephone bills, and so on. This year, in our determination that has yet to be published, we have removed that £1,000 from the allowance, as that has not worked. It is not transparent and it does not work. So, we are saying that there should be a requirement on local authorities to ensure that they make sufficient provision to facilitate the work of the councillors who represent that authority. So, once again, the point I am making is that we have no powers to require, we are simply saying to local authorities that we recommend that, we urge that, and we think that local authorities should give an appropriate level of support to facilitate the work of councillors.

[116] **Dr Austin:** I would like to add one point. At present, the regulations say that no more than 50 per cent of elected members may hold a special responsibility allowance. This leads to a funny old position where half the council leads the other half. That is unnecessary. That is in the current regulations. If we had the powers, we could vary that. The other is the size of the cabinet. We have met cabinets that run very well with six people and we have met

cabinets that run with 10 people, also with 50 per cent of SRAs being taken. So, having more flexibility as to our thinking on the size of cabinet and the number of SRA holders would help.

[117] **Brynle Williams:** I would like to move on to matters 12.15 and 12.17. How will the proposed LCO assist the promotion of democracy and participation in local government?

[118] **Mr Penn:** I echo the point about the need for the remuneration framework to adequately reward people so that they are not disadvantaged by standing or by putting themselves forward—standing and being elected members is at the forefront of our minds. We have agonised over the care allowance. At the moment, the framework allows for the provision of a care allowance for those with young children or with adult carer responsibilities. In theory, that allowance is to help those who need to pay for care while they undertake their duties as elected members. The remuneration panel is conscious of those types of issues

[119] We had a presentation last week from an expert on the benefits and taxation system. Again, that interferes, to some extent, with the opportunity for ordinary people to become elected members because, at some point, being paid as an elected member could interfere with their benefits and other arrangements. Therefore, we hope that, with this legislative competence, whenever the panel comes across an issue that could facilitate our objectives—to have a vibrant local democracy with vibrant local authorities and open access for those who want to stand as elected members—there will be no barriers to that. The remuneration framework is a key element of that; of course, it is not the only element, but it is a key one. Therefore, I think that the proposed LCO will help with that process.

[120] As the panel continues its work and continues to refine the framework, whenever it comes across an issue that would benefit from some action, the proposed LCO would enable the Assembly to respond to our submissions pretty readily—at least, that is how we hope the proposed LCO will work—because at the moment, the Assembly can be sympathetic to our needs, but it cannot do anything because it does not have the relevant competence.

[121] **David Lloyd:** My questions will be on more prosaic and philosophical matters in terms of definitions, interpretations and exclusions. Given that, as you mentioned, you have no locus for community councils, we will ditch the definitions and interpretations relating to community councils, and stick to a couple that relate to county councils. On matter 12.5, which you have been addressing, could you outline the issues that are within the scope of the term quoted under that matter:

[122] ‘The provision of information relating to local government to the public.’?

[123] Are there any examples of what you will promote or what could be promoted under that phrase?

[124] **Dr Austin:** I think that there is plenty of scope to make the public better informed of the responsibilities of elected members. Given how long local government has been around, it is surprising that there are no statements on what a local councillor does. The expert panel’s report says a lot about the responsibilities of political parties in this regard, but that is not a matter that the panel looks at. However, I will mention in passing that political parties could do more to inform local councillors about what is required of them. We have lost count of the number of newly elected councillors we have met who had no idea about the span and scope of their duties or that they were to be remunerated. You are elected for a relatively short time and, with the best will in the world, a local authority can organise training for you, but does anyone really want to put themselves up for training? The people who come forward for training are probably those who do not need the training, or at least that is what has been said

to us. So, improving the public knowledge of what a councillor does might of itself increase the number and diversity of people who come forward to be councillors. It has been a matter of regret for us to note that the care allowance that was brought in to increase diversity has done nothing of the sort. In fact, there are fewer than 100 councillors in Wales who take up the care allowance, and I think that probably only 50 or so take it up. The profile of the council is still very much the same. I will not say it in the rude way, as I do not need to. There is not a great diversity.

3.00 p.m.

[125] On local democracy, the council that serves the people does not look like the people and that is still the case, so I would appreciate anything that any proposed Measure could do to enable us to take forward our work on increasing diversity—and that is narrow in scope compared with that of the expert panel, which is much broader. The more the people feel that the council is theirs, the more likely they will be to put themselves up for election. Then, of course, the political parties also have to be open to the number of councillors coming up from diverse backgrounds, and I have yet to see evidence of that. I think that we have more independent councillors in Wales now than we ever did. In fact, the largest group of councillors is now the independent group, but I do not see much diversity in that group either. Something needs to happen, and our hope is that we could use the remuneration framework to ‘set up no obstacle’ to people coming forward, as Richard puts it. However, other people need to do a lot more than is being done currently to increase diversity.

[126] **David Lloyd:** Very much in the same frame of mind, on the same matters, there is a phrase in the proposed LCO that mentions ‘promoting and supporting membership’ of local institutions, such as county councils and county borough councils. What sort of activities do you envisage under that banner of ‘promoting and supporting membership’ of local government?

[127] **Mr Penn:** I am not sure that that is our role, to be honest. On the previous question, which Rita dealt with, one thing that occurred to me was that, in the public mind, local authority members are such significant representatives—much more so than officers and paid officials—that if we develop this notion that councils and their members are obliged to put more information about what they do in the public domain, in some ordered and consistent way, whether through annual reporting, another mechanism or a basket of measures, people could see what their councillors do and that would be a major contribution to the public knowledge of what the council as an organisation does. That is what matter 15 is about: providing a much greater knowledge of what the local authority does.

[128] It is not just about what councillors do, of course. Behind them is a huge raft of service provision as well, but the councillors are very much the front for that. Some are very good at it, but anything that strengthens our abilities, through some arrangement or an exchange, would be welcomed. What we say as a panel is that, with an allowance, you get the remuneration whether you do something or not. It is an allowance; it is yours by right. That is the mindset of those members who go to one meeting every six months to qualify. I think that remuneration or a salary, which we are moving towards, has a different connotation: it is an exchange for services. That mindset of members being seen to deliver, to add some value, and to make some contribution in return for the reward that they get through the remuneration framework will serve to strengthen people’s confidence in us. For us, this issue of reward is really big. On the reverse, you might ask what the penalties are for those who do not make that contribution, for whom there is some evidence that they are not making a contribution and are turning up only once every six months to claim their allowance as they pass ‘go’. That is a different debate and the panel has not given any thought to it yet, but it will become an issue. Maybe there is some legislative implication to that as well.

[129] **Dr Austin:** I think that that is an issue. Councillors have said to us during our visits that there should be penalties imposed on those who do not pull their weight in the council. That is a difficult one, but perhaps the possibility of having powers to issue sanctions should be considered.

[130] **Val Lloyd:** Do you want to come in on this point, Brynle?

[131] **Brynle Williams:** You said that it is a shame that the major political parties were not taking more of an interest in their councils. Is there a way of reversing that? Can it be reversed so that they can also police their councillors if they are not turning up for meetings?

[132] **Dr Austin:** We saw from our visits that the deputy leader would often take on that role for the governing party, certainly to speak to members who were not pulling their weight. When we spoke to opposition leaders, they said the same, namely that that would be done by the business leader, the whip or whoever it might be. It is not a shared practice, though. It happens in some places, but it is not consistent.

[133] **Mr Penn:** One authority that we visited uses its standards committee to monitor attendance at committees. That is a very blunt instrument. In my career, I have been to thousands of committee meetings at which I have made no contributions, because I have just sat there—and I am sure that that happens elsewhere. Attendance is not a measure of performance, but it is an indicator of involvement. If members' attendance falls below 70 per cent, I think, the chair of the standards committee sends them a letter to remind them of their obligations. So, there are little indications that people are beginning to take this issue seriously, and we are trying to capture that. However, at the end of the day, without some legislative backup, it is all voluntary.

[134] **David Lloyd:** To wrap this up, this is a big philosophical issue and we could probably go on beyond this meeting, which is why I will keep this short. At the moment, being a county councillor attracts a voluntary stipend. That is possibly a strength, but it is also a weakness in that, in effect, it is saying let us have another raft of professional politicians. That means that we will be less likely to attract people who have other careers and are in full-time employment, because we are telling them to change horse in mid stream. In addition, there is a sanction for not turning up or performing well. It is called an election. That does not happen in my career as a general practitioner. I get an appraisal and so on, but people do not vote me out, and I can carry on. That is therefore a fairly major sanction.

[135] We find ourselves in a philosophical minefield at the moment. As much as some would like to change county councillors into professional politicians—a bit like Assembly Members—it remains a voluntary stipend, with broken time payments to try to make good for people having to fill in for you in your other job or for missed promotion opportunities, as well as the carer allowance aspect. We are all for getting county councillors who reflect their population, but while it is still subject to a voluntary stipend, it is one hell of a commitment to go out there to face what is quite often a lot of abuse from the public and the press for a miserly amount of broken time payments. That might even sabotage your whole career. So, many of these things have to be taken on board to a far greater degree than they are at present.

[136] **Dr Austin:** You tickled me with the word 'philosophy', so I will respond to that. Philosophically, to my mind, there are two issues here. We heard 'The ballot box' answer a lot. Any opposition to annual reporting that we met with took the line, 'Ah, but I face the ballot box every four years'. Quite frankly, from my point of view as a citizen, facing the ballot box every four years is the easiest way out, because we all know that, in an election, there are very many other issues at play than the one of regular accountability.

[137] On the second point about attracting people from full-time employment, I hear what

you say and I can offer a suggestion. It is my personal suggestion and, usually, when I offer it, people laugh, so I permit you to do so, too. The suggestion is to have fixed terms. If there was a fixed term for unitary council members of one year, one term or two terms—and I will not argue the toss on that—it would force political parties to keep renewing their candidate lists. It would encourage citizens, who would know certain members, who they can get past on the ballot box, because of a whole lot of other reasons, such as the fixed term. It would also encourage those who have a career to follow outside politics to know that they can put it on hold for a certain amount of time as a career break or suchlike while they do their civic duty. The fixed-term option is not popular at the moment but, philosophically, it is the one issue that will really refresh government at all levels.

3.10 p.m.

[138] **Val Lloyd:** We have strayed rather from the purpose of the proposed LCO, and I am conscious of the time. It has been a most interesting debate for me, as a former county councillor on the same council as Dai, and I would love to discuss it some more, but we have strayed somewhat from the purpose of the proposed LCO. I have two remaining questions. I want to talk a little more about matter 12.9. The Minister for Social Justice and Local Government told the committee that there was ‘no pressing pragmatic reason’ to seek competence in relation to matter 12.9(a) and (b). In relation to matter 12.9(c), the voting system for the return of members in an election, he said that the voting system is contentious, and that

[139] ‘matter 12.9(c) would stand out like a red rag because there is no consensus on the best way forward...somebody else could come to a different conclusion...but a decision has to be made and...we have made our decision on the matter’.

[140] Do you wish to offer a view on the Minister’s evidence?

[141] **Mr Penn:** As a panel, we have had no discussion at all about electoral matters. I might have a citizen’s view on it, but I do not think that I could offer a view on that on behalf of the panel.

[142] **Val Lloyd:** It is just that there were particular views, as you can understand. Are there any other points that you wish to make that you feel have not been covered in the questions or answers?

[143] **Mr Penn:** No. From my point of view, we have had a very interesting and wide-ranging discussion on the work of the panel.

[144] **Val Lloyd:** On behalf of the committee, I thank you, Dr Austin and Mr Penn, for giving of your time to answer our questions so freely and interestingly.

[145] I remind Members that our next committee meeting will take place next Thursday, 22 October, when we will take evidence from the Welsh Local Government Association and One Voice Wales. If there are no further issues, I declare the meeting closed.

*Daeth y cyfarfod i ben am 3.12 p.m.
The meeting ended at 3.12 p.m.*