

**LOCAL GOVERNMENT AND HOUSING COMMITTEE**

**MINUTES OF COMMITTEE MEETING**

**Date:** Wednesday 26 June 2002

**Time:** 2.00pm to 5.00pm

**Venue:** Committee Room 2, National Assembly Building

**Attendance: Members**

Gwenda Thomas (Chair)	Neath
Peter Black	South Wales West
William Graham	South Wales East
Edwina Hart (Minister)	Gower
Pauline Jarman	South Wales Central
Peter Law	Blaenau Gwent
Dai Lloyd	South Wales West
Tom Middlehurst	Alyn and Deeside
Janet Ryder	North Wales

**In attendance:**

Kate Cassidy	Local Government Modernisation
Gwilym Evans	Local Government Finance
Rob Hay	Statistical Directorate
Professor George Boyne	Cardiff University
Professor Dave Adamson	Expert Advisor

**Secretariat:**

Roger Chaffey	Clerk
Claire Griffiths	Deputy Clerk

**Introductory Remarks**

The Chair advised the Committee that the proposed visit to Brackla and Bettws provisionally agreed for 4 July had been postponed again because of a clash with the National Federation of Housing Associations two-day conference. The Committee agreed for arrangements to be made for the visit to take place in the autumn term. The Secretariat to consult members about suitable dates.

**Item 1: Apologies and Substitutions**

1.1 There were no apologies for absence or substitutions.

**Item 2: Declaration of Interests**

2.1 The following declarations were made:

Peter Black: a Member of Swansea City and County Council.

William Graham: a Member of Newport City and County Borough Council.

Pauline Jarman: Leader of Rhondda Cynon Taff County Borough Council and a member of the Welsh Local Government Association.

Dai Lloyd: a Member of Swansea City and County Council.

Janet Ryder: a Member of Ruthin Town Council.

### **Item 3: Minister's Report LGH-11-02 (p.1) Annex 1, 2**

3.1 The Minister presented her report. In doing so, she announced that an office would be established in Colwyn Bay as part of the Housing Directorate. She added that this decision would reiterate the Welsh Assembly Governments commitment to having representation outside of Cardiff.

3.2 In discussion, Members raised the following points:

- Members welcomed both the Minister's report and her announcement commenting that this was a clear signal for the Assembly to provide a full range of services throughout Wales.
- They were pleased to see a conclusion to the Llangollen boundary review that had confirmed the view of the local people and it was time to move forward positively.
- It was appreciated that the draft Local Government Bill is focused mainly on England and that the Minister was in contact with her Westminster counterparts to ensure the Bill was able to reflect the Assembly's interests for local government in Wales. However, concern was raised about whether Westminster would recognise a Welsh input.
- Members asked if the Minister had reached a decision on the retirement age for councillors and also whether she was minded to introduce a pension scheme.
- Members welcomed the compromise suggested on the issue of petitions for elected mayors adding that this would give stability to local authorities.
- Members asked if there was any common ground as to why the three highlighted areas had not formed a partnership under the Communities First programme. They inquired if there were any cases where the local authority was not the lead authority for service level agreements and the drawing of funds. Members were concerned that there was a shortage of skilled workers in this area and asked for an assurance that skilled people would not be poached for the community regeneration schemes.
- Members acknowledged that the Minister would be making a statement to plenary on 16 July in response to the report on the commission of local government electoral arrangements.
- Members welcomed the review the Minister had undertaken on council tax bills and looked forward to receiving her proposals for simplification.

- Members were pleased to note that the Minister had taken over the drug and alcohol misuse portfolios and asked whether representations should be made about her having responsibility for youth justice and domestic violence.

3.3 The Minister made the following responses and offered to take the following action:

- She said that a team of Assembly officials had been established to monitor the progress of the draft local government bill and agreed to keep the Committee informed of developments on the bill.
- She said that she had further reflected on the retirement age for councillors and felt that 65 would be more appropriate. However, she was minded that the retirement age for magistrates was 70 and she would consider further and perhaps write to the WLGA to ask them to collect the views of local authorities.
- She said that there was no common ground as to why three areas had not formed partnerships and that she would be meeting with those areas to discuss the programme. She added that the Communities First programme was very complex and agreed to prepare a note outlining how partnerships are working and to include an explanation of the Trust Fund arrangements.
- The Minister agreed to prepare a paper for Committee with proposals for simplifying council tax bills in the autumn.
- She agreed to bring forward a paper on drugs policy in the autumn.

3.4 The Chair said that she had recently written to the First Minister asking him to consider transferring responsibility for domestic violence and youth justice to the Minister. She agreed to copy any reply received to the Committee. The Chair reminded members that should they wish to examine any of the scheduled SIs in detail to inform the Clerk who would arrange for the item to be placed on the agenda.

#### **Item 4: Budget - Consideration of Minister's issues paper LGH-11-02 (p.2)**

4.1 The Chair invited the Minister to introduce her budget issues paper concerning the 2002 budget round relating to the Local Government and Housing main expenditure groups of the Assembly's budget. The paper followed on from a commissioning paper dated 21 May which outlined the Minister's intentions in supporting the Assembly's planning and budgeting process from 2003-04 onwards. The Chair advised the Committee of its requirement to give its views on the paper in writing to the Minister by 16 July under standing order 19.1.

4.2 The Minister introduced her paper advising that it was a preliminary assessment of the priorities and pressures for the period covered by the 2002 Budget Planning Round (BPR). The BPR affects the financial years 2003-04 and the two following years. She said that she wants local authorities to build successfully on the platform and to enhance the role as community leaders. She advised that pay pressures and increases in National Insurance contributions would have an impact on local authorities budgets. She emphasised that her priority was to help local people in disadvantaged areas and to tackle crime reduction. She invited comments for the Committee.

4.3 In general the Committee supported the Minister's priorities. They made the following points:

- Members noted that there remained a number of specific grants in being, and although they recognised that some were necessary, they reiterated the principle of non-hypothecation.
- Members noted that the proposals for a 3.3% increase in local authority spending and that pay rises, pensions and increased national assurance contributions would have to be accommodated within this figure.
- It was felt that local authorities could experience a severe financial problem with the upkeep of residential homes in order to meet the Care Standards Act requirements. Vulnerable groups of society could suffer unless new money was made available to finance this and the resulting increased charges from private operators.
- Members noted that the Chancellor of the Exchequer was in negotiation about the Comprehensive Spending Review (CSR) and that the Minister would make a statement to Plenary in the autumn. They asked if any additional money announced in the CSR would be made available this financial year.
- It was observed that the Social Housing Grant level had not been increased and it was suggested that the Committee could consider a review of the Home buy Scheme.
- Following the redistribution of Ministerial responsibilities, Members asked for a transfer of resources from the Health and Social Services budget to accommodate the extra responsibly.
- Members felt that it was important that adequate funding was channelled towards alleviating homelessness and for the supporting people programme.
- Members suggested that if additional resources for housing became available as a result of the CSR, some could be directed to housing renovation.

4.4 In reply, the Minister said:

- She noted what had been discussed regarding care homes and asked Members to raise specific cases to her outside the meeting
- She said that other Ministers administer special grant schemes but progress was being made on reducing the numbers introduced.
- She agreed to take on board the views expressed about the Home buy Scheme and would report on the progress of the scheme in the autumn.
- She acknowledged that substance and alcohol misuse presented a very difficult agenda for the Committee and the Assembly to get to grips with. Resources were needed. She added that the Assembly had a number of crosscutting issues of which this was one. All identified funds for the prevention, policing and treatment of substance and alcohol abuse would be fully utilised.
- The Minister assured members that there were adequate funds to ensure that the Supporting People initiative was properly supported.
- The Minister agreed to write to Pauline Jarman concerning the definition of "vulnerability" within the context of the Local Government Bill.

4.5 The Chair said she would be writing to the Minister under standing order 19.1 with the Committee's views on the budget.

## **Item 5: Presentation showing a comparison in LA performances in England and Wales.**

5.1 The Chair introduced Professor George Boyne from Cardiff University. Professor Boyne announced the findings of his research into comparison performances to the Partnership at their meeting in Llanelli in January. At that meeting, it was suggested that Professor Boyne be invited to talk about his findings at Committee. The Chair invited him to make his presentation.

5.2 Professor Boyne advised that he undertook this piece of independent research which was funded by the Economic and Social Research Council. The research was undertaken as Welsh local government had a reputation as being inferior to its English equivalents.

5.3 The main points of the presentation were:

- The research looked at the relative performance of English and Welsh local authorities as there was a widespread perception that local authority performance in Wales was worse than in its English equivalents with regard to standards of service. This allegation could be demonstrated from historical data, a statement from the District Auditor in November 2001 that said that Wales was now beginning to improve and anecdotal evidence from meetings based in London from which an assumption arose indicating that service in Wales was poor.
- The methods used in the research were based on analysis of 71 Audit Commission Performance Indicators covering a wide variety of services. Changeover time was also looked at with a subset of 30 indicators. All research was undertaken with unitary authorities.
- Results show that there is no significant difference between the performance of English and Welsh local authorities and that standards of service in Wales were improving at the same rate as in England.
- In conclusion, the myth has been dispelled.

5.4 Members raised the following points:

- After hearing the facts, members wondered about the motivation for misinformation. They suggested it may have been based on ignorance rather than prejudice. They were pleased to see that Welsh local government was performing equally as well as authorities in England and felt reassured that the previous myth of inferiority has been dispelled. However, they noted that there was no room for complacency.
- Members asked whether there were plans to update the findings and also whether the Audit Commission had been approached to publicise the research.
- Members hoped that in future the unfortunate language that often appeared in Audit Commission reports would be tempered.

5.5 In reply, Professor Boyne said that he was currently updating the research and that he was aware that the audit commission had seen the report but could not see them undertaking to publish it.

5.6 The Chair thanked Professor Boyne for his presentation and asked him if he would return to Committee with an update next year. He was content to do so.

**Item 6: Impact of Equal Opportunities policy on local government purchasing and construction LGH-11-02 (p.3) Annexes 1, 2, 3, 4 & 5** *(this item was taken after Item 4)*

6.1 The Minister introduced this item saying that the paper advises on how equal opportunities policy impacts on local government purchasing and construction within the legal framework. She added that the Equality Standard for Local Government is a practical tool to assist local authorities to mainstream and benchmark their approach to equality in both service delivery and employment.

6.2 Members raised the following points in discussion:

- Should this policy be mandatory for local authorities to adopt?
- A similar debate was held in the Equal Opportunities Committee meeting earlier today and it was suggested that it might be appropriate for this Committee to review that paper (the Clerk to make the necessary arrangements).
- Members were unanimous in supporting the concept of equal opportunities but queried the position when specific positive discrimination was pursued as this could cause problems. For example, specific positive discrimination could have a major effect on a small company and members asked what support would be made available.
- Members felt that the Assembly must demonstrate absolute total commitment to equality of opportunity and deliver on all aspects.

6.3 In reply, the Minister said that this was an important area to pursue and is perhaps a vehicle for review during the autumn. She added that Members might find it helpful to consider the various strands that exist together and look at the impact on policies across all of her portfolio within the structure of the Committee. She suggested that the Committee might want to consider reviewing the mainstreaming of equal opportunities within the LGH portfolio..

**Item 7: Local Government Partnership Scheme - Annual Review LGH-11-02(p.4)**

7.1 The Minister introduced this paper. Under Section 113(1) of the Government of Wales Act 1998, the Local Government Partnership Scheme was agreed in July 2000. This was the second report on the implementation of the Scheme.

7.2. Members pointed to the growing respect on both sides of the partnership which they saw as an essential vehicle on which the Assembly will build its relationship with local government

7.3 Members were in agreement that the report was a fair reflection of the work achieved between the Assembly and the Partnership Council but added that other partners, National Park Authorities, Fire and Police Authorities also contribute to

the success of the partnership and there contribution should also be acknowledged.

7.4 The Minister agreed with this comment and said that the report would be amended to reflect this before it went to plenary.

7.5 The authors of the review were commended on its readability

**Item 8: Policy review of community regeneration - final report LGH-11-02(p.5)**

8.1 The Chair reminded Members that the text of the report had been agreed at the last Committee meeting and that a translation had now been received. The next stage is to refer the report to the publishers. Members were content for this.

8.2 The Chair said that Professor Dave Adamson had now completed his work on this review. On behalf of the Committee, she thanked him for his substantial contribution and advice received in formulating a detailed review. The Committee endorsed this.

8.3 The Chair advised that the report would be debated in Plenary to which the Minister will respond. The Secretariat would progress the recommendations.

8.4 The Minister agreed to include in her response to the Committee's Policy Review, reference to the shortage of trained community workers, and means of addressing the problem.

**Item 9: Minutes of the 12 June meeting LGH-10-02 (min)**

9.1 The minutes were agreed.

**Committee Secretariat**

**June 2002**

### **Summary of action points:**

1. The Minister to keep the Committee informed of developments on the draft Local Government Bill.
2. The Minister to prepare a paper for Committee with proposals for simplifying council tax bills in the autumn.
3. Communities First - the Minister to provide a note outlining how partnerships are working and to include an explanation of the Trust Fund arrangements.
4. The Minister to bring forward a paper on drugs policy in the autumn.
5. The Minister to include in her response to the Committee's Policy Review, reference to the shortage of trained community workers, and means of addressing the problem.
6. The Minister to report to the committee in the autumn, progress on the workings of the "Homebuy" scheme.
7. The Committee may wish to consider reviewing the mainstreaming of equal opportunities within the LGH portfolio.
8. The annual review of the Local Government Partnership Scheme to include a reference to the contribution made by organisations other than the WLGA and the National Assembly (e.g. Police, Fire, National Parks etc.)
9. The Minister agreed to write to Pauline Jarman concerning the definition of "vulnerability" within the context of the Local Government Bill.