



**Cynulliad Cenedlaethol Cymru
Y Pwyllgor Llywodraeth Leol a Gwasanaethau
Cyhoeddus**

**The National Assembly for Wales
The Local Government and Public Services
Committee**

Dydd Iau, 9 Chwefror 2006

Thursday, 9 February 2006

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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 Cynulliad yn bresennol: Ann Jones (Cadeirydd), Sue Essex (y Gweinidog Cyllid), Michael German, David Lloyd, David Melding, Catherine Thomas, Gwenda Thomas.

Swyddogion yn bresennol: Suzanne Chisholm, yr Is-adran Cyfranogiad Ieuencid a Disgyblion; David Fletcher, yr Is-adran Cyllid Llywodraeth Leol; Stephanie Hector, yr Is-adran Cyfranogiad Ieuencid a Disgyblion; Jane Peffers, yr Is-adran Cyfranogiad Ieuencid a Disgyblion; Hugh Rawlings, Cyfarwyddwr y Grŵp Llywodraeth Leol a Diwylliant; Lyn Summers, yr Is-adran Rheolaeth Ysgolion.

Eraill yn bresennol: Syr Jeremy Beecham, Cadeirydd yr Adolygiad o Ddarparu Gwasanaethau Lleol yng Nghymru; Carys Evans, Ysgrifenyddiaeth yr Adolygiad o Ddarparu Gwasanaethau Lleol.

Gwasanaeth Pwyllgor: Virginia Hawkins, Clerc; Julie Owen, Dirprwy Glerc.

Assembly Members in attendance: Ann Jones (Chair), Sue Essex (the Finance Minister), Michael German, David Lloyd, David Melding, Catherine Thomas, Gwenda Thomas.

Officials in attendance: Suzanne Chisholm, Youth and Pupil Participation Division; David Fletcher, Local Government Finance Division; Stephanie Hector, Youth and Pupil Participation Division; Jane Peffers, Youth and Pupil Participation Division; Hugh Rawlings, Director, Local Government and Culture Group; Lyn Summers, Schools Management Division.

Others in attendance: Sir Jeremy Beecham, Chair of the Review of Local Service Delivery in Wales; Carys Evans, Review of Local Service Delivery Secretariat.

Committee Service: Virginia Hawkins, Clerk; Julie Owen, Deputy Clerk.

*Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.*

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau Introduction, Apologies, Substitutions and Declarations of Interest

[1] **Ann Jones:** Good morning, everyone, and welcome to the Local Government and Public Services Committee. I ask Members to switch off their mobile phones, pagers or BlackBerrys, as they interfere with the recording and translating equipment. That also goes for people in the public gallery. We are not expecting a fire alarm test this morning, so, should the fire alarm go off and it makes an intermittent sound, we will await further instructions. If it makes a continuous sound, we will make our way to the exit doors and the ushers will guide us to the appropriate assembly points.

[2] I have received an apology from Peter Law. Do Members wish to make any substitutions or declarations of interest other than those already recorded? I see that no-one does.

9.31 a.m.

Trefniadau Etholiadol yng Nghymru: Cynnwys Pobl Ifanc mewn Democratiaeth Electoral Arrangements in Wales: Engaging Young People in Democracy

[3] **Ann Jones:** This item continues our scrutiny project on electoral arrangements in Wales, and today we are looking at engaging young people in democracy. At our last meeting, the committee requested further evidence on how young people could be engaged in democracy

in Wales. It is my pleasure to welcome Stephanie Hector from the pupil engagement team, Suzanne Chisholm from the policy inclusion and participation branch, Lyn Summers from the schools management division, and Jane Peffers from the youth and participation division. You are all welcome, and thank you for your paper. We have scheduled roughly an hour for this item. I ask you to introduce your paper—I think that Stephanie will start off—and then we will go to questions from Members. It is very much about trying to get as much information as possible and to gather evidence for our report.

[4] **Ms Hector:** I work in the pupil support division and we have policy lead on the personal and social education curriculum, which was made a statutory requirement in the basic curriculum in 2003. Therefore, all schools now have to teach PSE as part of their curriculum.

[5] PSE is the main curriculum subject that covers the democratic process. Schools have to follow the PSE framework, which was produced by the Qualifications, Curriculum and Assessment Authority for Wales in 2000. It covers all four key stages, from five to 16-year-olds. The PSE framework is broken down into different learning outcomes, which are attitudes and values, skills, and knowledge and understanding. Knowledge and understanding is broken down again into 10 aspects, and the important one that you would be interested in is the community aspect, which covers issues such as understanding the importance of the democratic decision-making process, understanding issues relating to democracy in Wales, knowing your rights and responsibilities, and understanding how the democratic systems work and how individual citizens, public opinion, lobby groups and the media continue to have an influence and impact. The framework is non-statutory, because we like to let schools and local education authorities have flexibility in implementing PSE, although they have to have regard for the outcomes when they are teaching this subject.

[6] At the moment, ACCAC is reviewing all curriculum subjects, which includes the PSE curriculum, which we are looking to implement in September 2008. We are looking to rationalise the PSE framework, by reducing it from 10 aspects to just five. ACCAC is trying to take on board the Welsh Assembly Government's emphasis on active citizenship and participation, and also financial literacy.

[7] As well as the PSE curriculum, all schools were sent a teaching pack of resources from the National Assembly for Wales in 2003. The Hansard Society produced guidance called the 'AMs in Schools' pack, which was launched at the end of last year and went out to all schools, local authorities and AMs. It is intended to encourage schools to invite AMs to visit them. It gives guidance on how to get the best out of the visit, and how to get pupils involved in talks and discussions with the AMs.

[8] **Ms Chisholm:** The youth and pupil participation division has the policy lead in the Assembly for children and young people's participation on all issues that impact on the lives of people up to 25 years old. Over the past few years, we have tried to develop systems that encourage and support organisations, including the Assembly in all its different manifestations, to encourage children and young people to get involved and to be listened to on issues that affect their lives. The papers that we have provided give you a lot of background to the types of initiatives in which we have been involved, and I would like to make a couple of comments in addition to that.

[9] We are talking about article 12 of the UN Convention on the Rights of the Child. The UK Government is signed up to that, as is the Assembly Government. However, putting it into practice is quite challenging. We have to look at everything that we do and everything that we can influence across Wales, so there is practice across the public sector; in local government and also in the voluntary organisations that we deal with and the organisations that we fund. We are talking about cultural change, which takes a long time. We will not move towards having a situation in which children and young people feel that it is fine for them to contribute and be

listened to immediately. However, we are making good progress.

[10] We have told you in the supporting papers about some of the projects that are going on, but there are some key issues for organisations, and those are the things that I have flagged up in the last part of the paper. The benefits of involving children and young people are manifold and are on three levels: for organisations, for children and young people, and for society as a whole. It is a way of improving services and making them more relevant to young people's needs. It is about improving the vibrancy of our communities and encouraging children to exercise their democratic rights in a number of different aspects of their lives. That, in turn, should mean that they become more confident about engaging in participative democracy in a range of other situations.

[11] **Ms Summers:** A key aspect of engaging schoolchildren in participation is through school councils. Many schools already have school councils, but a number do not, and some are not operated as we would hope them to be; they are led and run by teachers rather than the pupils. The Assembly Government therefore decided that it wanted to regulate this. We have put in place a set of regulations requiring all maintained schools at junior and secondary level, and special schools to set up school councils. The regulations provide a framework for representation on those school councils, for example, regarding how the pupils are voted onto it, the feedback, and the account that the governing body and headteachers must take at the school councils. A key provision is that the school council can put two members on the governing body as non-governors, so that there is an effective link between the school governing body and the school council. It is hoped that the school council will give the pupil-members the opportunity to demonstrate effective citizenship skills and also to have a say in how their school is run and how decisions that affect them are taken.

9.40 a.m.

[12] **Ann Jones:** Does anyone else want to come in? No. Okay. Thank you very much for that introduction to the paper. We will now move to questions.

[13] **Gwenda Thomas:** I am delighted to be discussing this item. The comments on the UN Convention on the Rights of the Child are particularly interesting. What are we doing to prepare for the report on that UN charter to be held in 2007, internationally, and how are we preparing to feed into that?

[14] On the consultation process, do you think that we, as subject committees, should be moving towards always consulting children and young people in our policy reviews to get a child's and young person's perspective on how that policy review can affect their lives? For the review that I am conducting on services for vulnerable children, we have set up a parallel group of children and young people facilitated by the National Society for the Prevention of Cruelty to Children, and the same is true of the Committee on Equality of Opportunity in terms of reviewing services to young disabled people. That has also set up a parallel group, facilitated by Barnardo's. What we can learn from these young people is significant. If we bear in mind the slogan of the international conference of the young disabled, 'Nothing about us without us!', that will lead us in the right direction. You mentioned the regulations for school governing bodies and I am very interested in that. The participation of the two members is for secondary schools only, is it not?

[15] **Ms Summers:** Yes, between years 10 and 13. We felt that they needed to be of an age and level at which they could participate fully in governing bodies and not affect the work of the governing bodies because they have an entitlement to go to all the meetings to sit on committees, although they cannot vote.

[16] **Gwenda Thomas:** Has a link been established between the implementation of the

regulations and schools inspections?

[17] **Ms Summers:** Yes, it has.

[18] **Gwenda Thomas:** That is all I wanted to ask.

[19] **Ms Summers:** I will finish off the Estyn question. Estyn already looks at how pupils participate, and the way in which schools consult them on decisions. That has been going on for some time, but for its remit for 2007-08—bearing in mind that, under the regulations, school councils have to be set up by November, so it is Estyn's work in the following year—we are asking it to look specifically at school councils, how they are working and how their views are taken into account and so forth.

[20] **Ms Chisholm:** On the UN convention and the Assembly Government's response to it, you have three divisions represented here from within the education and lifelong learning portfolio, but there is also another, namely the children's strategy division, which will be co-ordinating the Assembly Government's response. I know that it is on the case, but I do not have the details. However, rest assured that we will all contribute to that.

[21] On subject committees listening to what children and young people have to say, there is already some good practice on that, and you mentioned two examples. I think that the Assembly Government would be keen to see that sort of approach taken more broadly on anything that is being considered in relation to policy reviews that impact on children's and young people's lives. When you think about it, children and young people are involved in and affected by many of the issues that are looked at by Assembly committees.

[22] As for the way in which it is done, it is great if people can be a little bit creative about it, and can create an environment that does not feel threatening so that children and young people feel able to contribute. That way, you get a better response, and I am sure that you have experienced some of that. However, that is not how organisations have been used to doing business, so it requires them to think about how best to do that. Having a couple of young people sitting around the table at meetings like this is not always a good way; it is sometimes better if you go to them and do it in a less formal setting.

[23] On the timing of that, good practice would be that they are consulted at an early point, before policy is formulated in draft, and that some work is done about identifying the issues that they would like policy-making organisations to take on board and think about. However, it is good if they can go on and be involved throughout the process as the policy is developed, and monitor how the policy is implemented.

[24] **Michael German:** I have several questions on the school curriculum, relating to pages 1 and 2 of the briefing that we have been given. I will start with a simple question. What was the rationale in this guidance being non-statutory as part of the curriculum?

[25] **Ms Hector:** The PSE curriculum is statutory—schools have to teach it. The guidance itself is non-statutory because we are trying to give schools and LEAs as much freedom as possible to teach this, because it covers so much, and each school is different, with different contexts, areas and priorities. Although we set out the outcomes that schools should aim for, how they teach the PSE curriculum—as long as they come to these outcomes at the end—is left to the school and the LEAs themselves.

[26] **Michael German:** Okay, that is clear. Therefore, in this process, and the learning outcomes that you have laid out here—1, 2, 3 and 4—where is the party political interest?

[27] **Ms Hector:** The party political interest?

[28] **Michael German:** Yes. Party politics is at the heart of democracy in this country. Where does that come in the guidance?

[29] **Ms Hector:** Schools have to be careful about teaching party politics; they cannot be seen to be biased towards one political party or another.

[30] **Michael German:** Yes, but if we expect people to come out of school and vote, how do we teach them about party politics?

[31] **Ms Hector:** We do not dictate to schools how they should implement the PSE curriculum—it is up to the school and the LEAs, but we can encourage them.

[32] **Michael German:** So what encouragement is given?

[33] **Ms Hector:** The PSE framework is being revised, and we are going to concentrate much more on citizenship and participation, and looking at rights and responsibilities, which all revolves around political interest. Also, one of the key aims of the new framework is to empower pupils to participate in their schools and communities as active, responsible citizens, and to develop a global perspective. One active citizenship theme is to develop political literacy. That is one of the new themes of the framework. Within that frame, there will be emphasis on our priorities, namely participation, and involvement in decision making.

[34] **Michael German:** What is political literacy?

[35] **Ann Jones:** I think that Suzanne has something to say, and then you can come back on that, Mike.

[36] **Ms Chisholm:** I think that there is a broader aspect to your question, which perhaps needs to be overlaid on what Stephanie has said.

[37] Many of the young people with whom we come into contact in our work on children and young people's participation would say that they are not really interested in politics, and do not see its relevance to their lives. What they see as relevant to their lives are issues such as, 'Why is there nothing near to where I live that I can do?'. Therefore, the broader approach to working with children and young people on this kind of issue, and developing an interest on their part in getting involved, is much more about helping them to learn about ways in which they can influence the issues in which they are interested. That works on the presumption that, having understood what they can achieve, and how powerful getting involved locally on specific issues that are of concern to them can be, they will transfer that approach to other aspects of their lives, both now, and as they get older and reach an age at which they can vote.

[38] Therefore, stepping back from your question a little, it is about looking at the whole approach.

[39] **Michael German:** I can follow that through, but what is political literacy? That is a question for Stephanie, if possible. You said that developing political literacy is part of the new non-statutory guidance that people will receive. I want to know what that is.

9.50 p.m.

[40] **Ms Hector:** We do not have a lot of detailed information about this framework yet. It is still being worked on by the ACCAC statutory group on the PSE curriculum. All those experts are looking at it, so we do not yet have any detailed plans. However, we have been told that part of the active citizenship theme will look at political literacy and at our priorities, which are

participation, involvement in decision making and young people's rights and entitlements. However, at the moment, the learning outcomes and the details of that framework have not been provided to us.

[41] **Ann Jones:** David had a point following on from that.

[42] **David Melding:** I appreciate the situation that the officials are in, and I am not making a gratuitous point, because the culture has strongly been a bloodless one when it has come to teaching civics in schools. The view that politics can be neutered somehow by removing the political parties, and that you then get a coherent lesson is perverse. Young people, particularly those over the age of 14, ought to have some understanding of the political process, and therefore they must have an understanding of political parties. You cannot rely on an activism approach. My experience of the level of activism and what goes on in communities is that there is very little political conflict. You find that people join together, and local councils are remarkably non-partisan sometimes.

[43] Teaching civics in this way is a bit like expecting the BBC, because it cannot be partisan, to cover a general election without referring to political parties. Not being partisan just means being balanced and ensuring that there is no bias. It strikes me that there is a long way to go before we have a realistic approach to the issue of promoting engagement in the political arena. The facts are startling: barely one fifth of young people vote, and the figures are even lower in some elections. Is that an inevitable sociological fact of post-industrialism, to use the horrible jargon, or are we damn useless at getting them involved? I think that it is probably the latter. I meant that we are useless at it, as much as you, incidentally.

[44] **Ms Hector:** Some schools bring in all the political parties to speak to post-16 students around the time of elections in order to get them interested in political issues. However, the ACCAC review of the framework is still in the early stages, and it is not going out for consultation until early 2007, when you will obviously be given an opportunity to feed into it.

[45] **Michael German:** Chair, I think that the ACCAC strategy group should come to the committee, and we ought to investigate whether it has taken on board the committee's genuine concerns.

[46] I want to follow up a very important point that Suzanne made. If I read it correctly, you said that you like to look at engagement in the issues. However, would it be fair to say that what is missing is connecting the issues to the party-political process?

[47] **Ms Chisholm:** It depends what you mean by 'missing'. If we are talking about the work that is going on across the board, it is developing children's and young people's understanding and awareness of the ways in which they can influence decisions that affect their lives. If they get experience of achieving some small changes locally, in their schools or elsewhere, they will realise that, by getting involved in a particular way with the organisations that can make changes, they can make a difference. I think that you are saying that the issue is making the connection between that and the party-political process. Perhaps that is an issue for the political parties themselves to think about.

[48] **Michael German:** I am sure that we will, but the other side of the coin is your role. I think that, on this side, we all agree, as David has made clear, that we have a responsibility. However, when we do not have the support within the school framework for generating an interest in the party-political process, which is crucial to democracy, it is clear that we are fighting the battle on only one side. We ought to be on the same side on this matter.

[49] **Ann Jones:** Is there any guidance on political activities within schools at present? If so, perhaps we could have a copy. That would be helpful.

[50] **Ms Hector:** I do not know whether there is any guidance. I know that there is a statutory requirement that children are not presented with a one-sided political viewpoint but have a balanced view. I do not know whether there is any political guidance.

[51] **Ann Jones:** It would be helpful to have anything that you have on the political parties.

[52] **Ms Summers:** I would like to comment on the schools councils. This would give the political parties an opportunity to engage with the school councils. Clearly, there would have to be an approach through the headteacher. However, the school councils are free. The whole point of having them is for them to see and discuss with who they want.

[53] **Michael German:** The point that I was making was that that is the connection. It should not be for us to find out about it. It should be that they are seeking the party-political input. That is the question that I was posing to Suzanne, really.

[54] **Catherine Thomas:** Following on from Mike's point, in terms of engaging with political parties, you see it at times during mock elections. What is great about that is that when young people have the chance to engage, and become more aware, they really embrace the opportunity. The sad fact is that it usually only happens when you have a general election or an Assembly election. It should happen on a far more regular basis. In my own patch, I know of young people who have really welcomed the opportunity to take part. Therefore, the need is there, but we need to make sure that the opportunity for those young people to engage is also there.

[55] Also, in relation to youth councils, on some occasions they can operate very well, but do you have concerns that, at times, they can be quite elitist? Often, the kids who are the most academically able are the ones who take part, and those who are not as able, who perhaps feel disaffected and disengaged in any case, are not part of the youth council and their voices are not heard. Is that not a concern, especially as the ethos is about hearing the voices of all pupils in that school? Does that really happen? I would suggest that perhaps it does not happen to the extent that it should. Also, perhaps children, like myself—not that I am a child, but I can see that you are also wearing a wrist band—find it far easier to engage by wearing a wrist band than becoming part of a school council, because perhaps they see that structure as elitist. I was wondering what your views were on that.

[56] Stephanie made the point about financial literacy. I think that that is hugely important, especially considering the report that is being prepared by Huw Lewis at present looking at indebtedness. Could you expand on that?

[57] **Ms Summers:** To start with school councils, and your comments about elitism and the arrangements for pupils being members, that is one of the issues that we sought to address with the regulations. That has been the case, in terms of the head boy and head girl and so forth at various schools. This is about cultural practice, and change will not happen overnight. Just putting a set of regulations in place is not going to achieve everything that we want.

[58] In the regulations, the teaching staff and the headteacher will have no say in who is on that school council. There has to be representation from every year group, but the pupils themselves will vote by secret ballot. I agree that that, in itself, will not necessarily change the fact that perhaps the more vocal and academic will stand for it.

[59] However, through training and the wider participation agenda, we hope to gradually change this culture. Suzanne is working on developing training for teaching staff and for potential pupil members to try to encourage wider participation. In the context of the regulations, we looked at trying to get a gender balance and a balance in terms of ethnicity and

disabled people, but we were advised by our lawyers that you cannot do that in regulations because you cannot make anyone stand for election. So, there is no way that you can say that there has to be exactly the same number of girls and boys on the council. If they do not stand, then the council would be running illegally. So, we have not been able to do that. However, we will be encouraging teaching staff, through guidance and training, to specifically encourage under-represented groups to be represented on the school councils, through their own peers.

10.00 a.m.

[60] In terms of special schools and needs, where there is a unit in a mainstream school, that unit or resource space will have the right to have its own member on the school council. We can legislate for that because that is a place on the council. So, we have done the most that we can within the legislative constraints to try to address the issues that you are talking about, and on a wider scale through training and a change of culture.

[61] **Ms Chisholm:** I will just add to that because, in terms of youth councils, I was not quite sure from your question whether you were talking about school councils or youth fora, which exist now in 21 of the 22 local authority areas and are designed to be a more general way of engaging children and young people in what goes on in their local area.

[62] **Catherine Thomas:** That is a much broader issue.

[63] **Ms Chisholm:** Yes, it is a broader issue. In terms of what goes on in local areas across Wales, the Assembly Government has provided funding this year to encourage all young people's partnerships, which are collective organisations whereby all the organisations that work with children and young people come together to discuss how they are going to do things in a co-ordinated way locally, to extend the inclusiveness of their arrangements in terms of working with young people locally. So, we are actually giving them funding to reach out to some of the harder-to-reach groups and some of the special interest groups that would not normally be involved in any kind of participative activity.

[64] **Gwenda Thomas:** Catherine has covered the main point about special units. However, I have been wondering about the whole political structure. I find, even in comprehensive schools, that there is no real awareness of the devolution process and the difference between this legislature and Westminster. It happened in 1999 and we are now in 2006, and I would have expected that age group to have a greater knowledge of the structures and the processes. To turn the question on its head, the one link that I see—and I do not wish to politicise schools—is that very often there is an identification of personalities. I am often asked whether I have met Tony Blair, and *Big Brother* was mentioned twice last week. As a nation, we should not leave this to the *Big Brother* programme. What Mike says is absolutely essential in that regard. We must provide the best possible information and nurture a healthy interest in party politics so that the difference between parties is known.

[65] **David Lloyd:** Fel y gwyddoch, mae hwn yn rhan o adolygiad y bu'r pwyllgor yn ei gynnal ers rhai misoedd bellach. Buom ar y cyfandir yn Nenmarc, yr Iseldiroedd ac mewn sawl lle arall lle mae canran y bobl ifanc sy'n pleidleisio yn uchel iawn. Daeth yn amlwg yn ystod y trafodaethau mai un o'r prif resymau am hynny oedd y ffaith eu bod yn gwybod popeth am wleidyddiaeth, ac yn enwedig gwleidyddiaeth bleidiol. Yr oeddent yn cael y wybodaeth yn yr ysgol o'r llyfrau yr oeddent yn eu darllen. Yr oedd adrannau yn y llyfrau a oedd yn sôn, heb ragfarn, am bleidiau gwleidyddol unigol. Yr

David Lloyd: As you know, this is part of the review that the committee has been conducting for some months now. We have been on the continent in Denmark, the Netherlands and several other places where the percentage of young people who vote is very high. It became obvious during our discussions that one of the main reasons for this is the fact that they know everything about politics, and party politics in particular. They gleaned that

oeddent yn egluro beth yw'r blaid lafur, y blaid geidwadol ac ati yn Nenmarc mewn ffordd na fyddai'n ennyn unrhyw atgasedd. Gall Denmarc wneud hynny.

information in school from books that they read. Sections of these books referred, without prejudice, to individual political parties. They explained about the labour party, the conservative party and so on in Denmark in a way that would not induce contempt. Denmark can do that.

[66] Ysbrydolwyd y bobl ifanc gan hyn ac yr oeddent yn ddigon hyderus i sôn am wleidyddiaeth ac am wleidyddiaeth bleidiol gan eu bod yn ymwybodol o'r gwahanol faterion. Fe'u haddysgwyd mewn ffordd gydradd ac yr oeddent yn berffaith hapus gyda'r syniadau hynny. Yn dilyn yr hyn a ddywedodd Mike a Gerallt, yr wyf yn siŵr mai cwestiwn i ACCAC yw hwn. Dyna ein safbwynt fel pobl sy'n rhan o'r arolwg. Yr ydym wedi gweld y profiad mewn gwledydd eraill, megis Denmarc, lle mae canran uchel o'r boblogaeth yn pleidleisio—rhyw 85 y cant; breuddwydio yn unig y gallwn ei wneud am y fath ffigurau yn y wlad hon.

The young people were inspired by that and they were confident enough to talk about politics and party politics, as they were aware of the different issues. They have been educated in a balanced way and they were perfectly happy with those ideas. Following what has been said by Mike and Gerallt, I am sure that this is a question for ACCAC. That is our position as people who have been taking part in the review. We have seen the experiences of other countries, such as Denmark, where a high percentage of the population votes—some 85 per cent; we can only dream of such figures in this country.

[67] Y gri gynyddol yr ydym yn ei chlywed gan oedolion a phobl ifanc yw nad oes ganddynt ddi-ddordeb mewn gwleidyddiaeth. Gallwn droi hynny ar ei ben a dweud bod gan bobl ddi-ddordeb mewn gwleidyddiaeth ond nad oes ganddynt ddi-ddordeb mewn gwleidyddiaeth bleidiol. Mae pobl yn ddigon bodlon protestio ar faterion amgylcheddol—os oes llosgydd yn eu hardal, er enghraifft—ac mae pobl yn ddigon parod i wisgo bandiau ar eu harddynau. Fodd bynnag, nid ydynt yn gwneud cysylltiad rhwng safiad penderfynol sy'n wleidyddol—efallai nad yw pobl yn sylweddoli ei fod yn safiad gwleidyddol—a gwleidyddiaeth.

Increasingly, we hear from adults and young people that they have no interest in politics. We can turn that on its head and say that people do have an interest in politics but that they do not have an interest in party politics. People are quite happy to protest about environmental issues—for example, if there is an incinerator in their area—and people are willing to wear wristbands. However, they do not make a connection between consciously taking a standpoint that is political—and people might not always realise that it is a political standpoint—and politics.

[68] Mae'n rhaid i rywun wneud y cysylltiad a sylweddoli mai'r unig ffordd o newid pethau yw drwy'r system wleidyddol bleidiol. Drwy bleidleisio yr ydym yn newid pethau yn y wlad hon, nid drwy brotestio a cheisio cael gwrthdaro neu wrthryfel. Yr ydym i fod i ddatrys problemau mewn ffordd fwy aeddfed sy'n seiliedig ar bleidleisio i wahanol bleidiau gwleidyddol, gan mai hynny sy'n pennu pwy sy'n llywodraethu ar raddfa leol neu genedlaethol. Mae angen gwneud cysylltiad rhwng hynny a gwleidyddiaeth sydd yn digwydd ym mhob man—er enghraifft, lle mae cymuned eisiau parc sgrialu. Mae

One has to make that link and realise that the only way of changing things is through the party-political system. It is through voting that we change things in this country, not through protesting and trying to generate conflict or revolution. We are meant to solve problems in a far more mature way, based on voting for various political parties, as that is how we decide who governs on a local or national scale. A link needs to be established between

hynny yn safiad gwleidyddol ac yn bwynt gwleidyddol; efallai nad yw'n bwynt pleidiol wleidyddol ond, os ydych am ddwyn perswâd ar y cyngor lleol, mae unrhyw benderfyniad o'r fath yn golygu arian a phenderfyniad gwleidyddol pleidiol yn y pen draw, er bod y mater yn wleidyddol heb fod yn bleidiol.

that and the politics that happens everywhere—for example where a community wants a skateboard park. That is a political stand and a political point; it may not be a party-political point but, if you want to bring pressure to bear on the local council, any decision of that kind will mean financial resources and will require a political decision on a party-political basis at the end of the day, although the issue may be political without being party political.

[69] Mae angen gwneud y cysylltiad, ac fe ddaw hynny o'r ddwy ochr. Mater i ni, fel gwleidyddion, yw pwysleisio bod gan bawb ddiddordeb mewn gwleidyddiaeth. Os ydych yn dweud nad oes gennych ddiddordeb mewn gwleidyddiaeth, mae hynny'n awgrymu nad oes gennych ddiddordeb mewn bywyd, gan fod pob mater o'ch cwmpas yn fater gwleidyddol, pe sylweddolwch hynny ai peidio. Mae angen trosi hynny i ddiddordeb mewn gwleidyddiaeth plaid—os ydych am newid rhywbeth, neu os nad ydych yn hapus â rhywbeth, mae'n rhaid ichi bleidleisio am newid, ond dylai eich pleidlais fod ar sail gwybodaeth am yr hyn y mae gwahanol bleidiau gwleidyddol yn sefyll amdano. Ar hyn o bryd, fel eraill, ni welaf sut y gallwn greu'r cysylltiad hwnnw.

The link needs to be made, and that comes from both sides. It is up to us, as politicians, to emphasise that everyone has an interest in politics. If you say that you have no interest in politics, that suggests that you have no interest in life, because every issue around you is political, whether you realise that or not. That needs to be converted into an interest in party politics—if you want to change something, or are unhappy with something, you have to vote to make a change, but your vote should be based on knowledge about what various political parties stand for. At the moment, like others, I do not see how we can make that link.

[70] Nid oes cysylltiad rhwng ymwybyddiaeth gynyddol pobl ifanc am faterion gwleidyddol—fel yr amgylchedd, rhyfel ac ati—a gwleidyddiaeth bleidiol. Mae angen creu'r cysylltiad hwnnw er mwyn galluogi pobl i newid y blaid sy'n llywodraethu. Mae'n bwysig bod gan bobl ifanc y wybodaeth honno er mwyn iddynt fod yn hyderus. Yr wyf yn siŵr nad yw pobl ifanc Denmarc yn unigryw. Fe'n trawyd gan aeddfedrwydd pobl ifanc Denmarc; yr oeddent yn sicr iawn o'u barn, ac wedi'i datblygu ar sail gwybodaeth ac addysg. Yr oeddent yn siŵr o'r hyn yr oeddent yn credu ynddo a pha ffordd y dymunent bleidleisio, ac nid oeddent o reidrwydd yn dilyn y ffordd yr oedd eu rhieni yn pleidleisio. Yr oeddent yn dilyn yr hyn a oedd yn bwysig iddynt fel unigolion, a hynny ar sail eu haddysg. Credaf ein bod i gyd yn cytuno ar hynny, gan ein bod am i ragor o bobl ifanc bleidleisio. Eu dyfodol hwy sydd yn y fantol, a'n dyfodol ni i gyd. Mae'n rhaid gwneud cysylltiad rhwng pwysigrwydd y pynciau a hanfod pleidleisio.

There is no link between young people's growing awareness about political issues—such as the environment, war and so on—and party politics. That connection must be made in order to enable people to change the governing party. It is important that young people have that information so that they gain confidence. I am sure that the young people in Denmark are not unique. We were struck by the maturity of the Danish young people; they were very sure of their own opinions, which they had based on knowledge and education. They were sure about what they believed in and how they would vote, and they did not necessarily vote for the same party as their parents. They did what was important to them as individuals, based on their education. I believe that we all agree on that, as we want more young people to vote. It is their future, and all our futures. A link has to be made

between the importance of the issues and the necessity of voting.

10.10 a.m.

[71] Yn Nenmarc, yr Iseldiroedd a Gwlad Belg, ynghyd â nifer o wledydd eraill, maent yn llwyddo i wneud hynny, ond nid ydym yn llwyddo i wneud hynny yma. Efallai bod gan hynny rhywbeth i'w wneud â'r ffaith ein bod yn rhy ofnus i ddarparu'r wybodaeth o fewn waliau y byddai pobl yn ymddiried ynddynt. Mae pobl ifanc, fel rheol, yn ymddiried yn yr ysgol ac yn y wybodaeth y maent yn ei chael yno. Nid oes ganddynt ymddiriedaeth mewn gwleidyddion, am wahanol resymau. Gwelaf Hugh yn chwerthin am hynny, ond dyna ni.

In Denmark, the Netherlands and Belgium, along with many other countries, they are succeeding in doing that, but we are not succeeding in doing so here. That may have something to do with the fact that we are too fearful of providing information within walls that people trust. As a rule, young people trust schools and the information that they receive in school. No-one trusts politicians, for different reasons. I see Hugh laughing at that point, but there we are.

[72] Yn y pen draw, mae lle i ysgolion ddarparu'r wybodaeth honno yn yr un modd ag a wneir yn Nenmarc, heb ddibynnu'n hollol ar yr ochr wleidyddol, sydd ag enw drwg yn y math hwn o beth.

At the end of the day, there is scope for schools to provide that information in the same way as is done in Denmark, without being entirely dependent on the political side, which has a bad name in this respect.

[73] **Ms Summers:** I have a couple of thoughts. I think that you have to get into this ACCAC review. That strikes me as being key to this. The other issue that I have been thinking about is the degree of professional judgment that is left to teachers in teaching. I do not know about that part because I do not deal with it, but I think that you need to speak to our colleagues who deal with the curriculum and see how far the Assembly Government constrains what they teach and how they teach in any subject, if you like. That can then be applied to the PSE agenda. Clearly, links will have to be made with the Minister for Education and Lifelong Learning and, possibly, the Education and Lifelong Learning Committee over this because the two need to intermesh.

[74] **Ms Hector:** I would like to hope that, with the review of the PSE curriculum, there will be improvements in the education in school of young people in terms of not just political parties, but also political literacy, because it will place more emphasis on citizenship, one's community and global issues. It will not just be on political parties. For that aspect, you need to talk to ACCAC, because that will be a more specific area that you may want to be covered in the framework. That is not something that we have seen as yet.

[75] On another aspect, Assembly Members have visited schools and local authorities. Although schools can invite AMs to visit, AMs can also contact schools in their areas and visit them and try to spread the word in that way.

[76] **Ms Chisholm:** Something that struck me profoundly as you were talking was that an awful lot of children and young people with whom we work will say that neither the council nor the Government will listen to them. I think that there is another issue there again. If you want to make the link between achieving change and making representations, organisations have to understand that, if children and young people are saying something and are doing so loudly and strongly, there is an obligation for them to listen to that and to respond to it. That does not necessarily mean having to go along with it, if there are good reasons for not doing so, but it means that you should at least go back to the children and young people and say, 'These are the

reasons why that cannot be done, or can only partly be done and this is another way that you might want to think about it'. So, it is that process of engagement between organisations and children and young people that will help them to understand how to make the link.

[77] **Ann Jones:** There is a process of understanding how decisions are made, but the party-political angle needs to be put in, as Dai was saying. People must understand that if they vote for party x, the manifesto that they are standing on is to prioritise a, b and c, but if party y is elected, its priorities are x and y. It is about putting that party-political role back into how the organisation, the council or the Government, takes its priorities. That is the missing link at the moment. You have youngsters who have been identified as being happy to wear a band, calling for a decision, or are happy to push their council for a particular skateboard park, but who do not know that under the political control of that council, the priority was never going to be for skateboard parks; it was going to be swimming pools, an incinerator or something else. That is the missing link. We are keen to see the whole process explained, including the fact that there are political priorities, which are based on manifestos.

[78] You have said that AMs can visit schools, and I think that many do so, but we are met with, 'Why are you here?' They worry that we are going to mention a local issue, particularly one that is in the newspaper. You are basically briefed at the door. If you say, 'I am going to go in and say, yes, all the opposition are totally mad and my party is the best party,' you would not get over the threshold. Teachers are fearful because we are not encouraging them to engage in party politics, but, to do that, it would have to be fair and above board for all parties. The danger lies in allowing headteachers to decide whether they want to or not, because that always allows other parties to think, 'They have allowed that person in that school because they obviously agree with that person's viewpoint, but they will not allow person X from the other side in'. That is the danger for teachers as well, and we need to sort that one out. Sorry, I have rambled on, and David wants to speak.

[79] **David Melding:** I wanted to follow up on the theme of the UN Convention on the Rights of the Child and article 12, which is presumably participation. We ought to commend people sometimes—I suspect that we do not do enough of that. In reading the plans for a statutory basis for school councils, and seeing how rigorous they will have to be and that they will be part of the inspection process when they bed in, I think that they are to be greatly welcomed. These school councils could bring revolutionary benefits while the rest of the UK looks at us and copies a good model. The great benefit of devolution is that it allows different approaches in policy to be developed.

[80] If we had had a school council in my day, at the secondary school that I attended, I would have had quite a lot to say, either directly if I had been elected or to the person who was elected, about some things in the curriculum. I shall not go into the details here, but some things, such as the fact that soccer could not be played at my school, always struck me as being bizarre.

[81] **Ann Jones:** That is disgraceful.

[82] **David Melding:** Absolutely. The diktat was that it had to be rugby and that was that. Rugby, incidentally, was taught—

[83] **Michael German:** You were lucky that you had a playing field.

[84] **David Lloyd:** He sorted that out. [*Laughter.*]

[85] **David Melding:** There is a serious point here. Rugby was not taught as safely as it could have been because, unlike in places such as New Zealand, where they ensure that the students are segregated roughly by physical development rather than chronological age, you

ended up with the most remarkable mismatches. What growth I had come during my late teens, so there I was trying to stop someone of great speed and weight, with little chance of success. I enjoyed physical activity and did a lot of sport with my friends. I would say that the worst part of my educational experience was how incompetently I was taught physical education. I enjoyed physical activity and always engaged in sport, before and afterwards. Those sorts of things could have been fed in and presumably that is what we are after. I give two and a half cheers for the school council.

10.20 a.m.

[86] I wanted to ask whether more direct methods were still available and ought to be explored. An example of that, certainly for older secondary pupils, would be some form of assessment of the teaching that they receive, so that they grade their teachers. Why should we not do that? Presumably, it would be done confidentially, and it strikes me as something that would, on occasion, identify issues that are quite important. It would be used frivolously by some, but many adults tend to look at issues frivolously, but the bulk of them—most of the time, anyway—take that sort of responsibility quite seriously. So, we should trust them to do that, and to have more direct involvement in what should be on the curriculum. We continue to make some pretty odd choices. If you take history as an example, I have rarely come across a child that has gone beyond the twentieth century, and often not beyond the second world war. This is maybe what they want to learn about, and one can understand a certain fascination over such an overwhelming event, but there may be other children that want to study more about the reformation or the Normans or whatever.

[87] Being able to make some of the curriculum choices and inform them seems to be important, and this would go across geography, literature and all sorts of things. Perhaps we should see students as the consumers—to use ghastly terminology—of what is probably the most important public service that any of us receives, as it is hugely influential on future development and life chances. At one level, they are the experts, and we should be asking them more, and not necessarily just through school councils. Great innovation as the school council is, there may be other methods.

[88] **Ms Chisholm:** Thank you for what you said about the fact that Wales is seen as moving forward with the broader agenda of children and young people's participation, because that is our belief. We think that we are quite well ahead of the game. We hosted the UK presidency European conference for young people in October on behalf of the UK Government in Cardiff, and that was handled in a different way from the way in which these events are normally handled. All the young people who were involved were very impressed, as were the state Government representatives, by the way that that was done. That was very much done in the way that we do things in Wales. So, I think that that is also a sign of that. It is good to hear that you have heard about that also.

[89] On the broader stuff about the extent to which children and young people can influence important decisions such as the curriculum, that is just one manifestation of taking this approach forward. If the Assembly Government is encouraging all organisations to listen to what children and young people have to say about things that affect them, and if you take that to its logical extension, when we review any policy around the curriculum in the Assembly, then ACCAC, in its work, will also be listening to what children and young people have to say. We do not know to what extent the views expressed will be taken on board generally, but it is a challenge for all organisations that work with children and young people to think about how they will respond. If they are not going to listen, we must ask why that is and how they will go back to the children and young people and explain that they have not taken that on board.

[90] **Ann Jones:** Do Members wish to ask any other questions?

[91] **Michael German:** I will turn briefly to the statutory and non-statutory nature of the regulations on the curriculum. Presumably, it is within the powers of the National Assembly to make guidance of this statutory nature; it was a choice originally not to make that part of the curriculum non-statutory. Is the power there, or has it not been used, and, if so, what was the reason for not using it, and is there an overwhelming reason for changing it or not changing it?

[92] **Ms Hector:** I think that the reason for not having it on a statutory basis is because schools across Wales are so different. All schools are different, and the PSE curriculum covers so many areas and so many different aspects—there are the community aspects, society, the physical aspects, and the moral and religious aspects—and the make-up of a school could be quite high-ethnic, with the majority of pupils coming from ethnic minority groups. So, it is very difficult to set out that this has to be taught in a certain way, and that is why we have tried to give local education authorities and schools as much freedom as possible to implement the PSE curriculum.

[93] **Michael German:** Clearly, what we are talking about today is a large bowl of issues that makes up a very small part—only 5 per cent—of the school curriculum timetable. That is a very small bowl. With it being non-statutory, presumably, there is no guidance as to what proportion of that time should be devoted to this aspect of work. You basically take a chance as to whether it gets done or not.

[94] **Ms Hector:** Schools should teach the PSE lessons and aim to reach the outcomes that are in the framework. The outcomes, which I read out earlier and which are in the briefing on the community aspect, looking at the democratic process, should aim to ensure that pupils have the relevant knowledge and understanding at the end of whatever PSE lesson they are taught. It is with how to implement that PSE lesson that we give them the freedom.

[95] **Michael German:** In terms of the things that are written in your report, what percentage of the whole PSE curriculum is this roughly?

[96] **Ms Hector:** It will vary from school to school; it will not say 2 per cent or 3 per cent.

[97] **Michael German:** So, it could be nothing, and it could be 5 per cent, 10 per cent or 50 per cent.

[98] **Ms Hector:** I would be surprised if it was nothing, because schools have to meet the outcomes within the PSE framework, and, when they are inspected by Estyn, one of the areas that Estyn would look at is the PSE curriculum.

[99] **Ms Chisholm:** It is important that we do not look at this as just something that goes on in the PSE curriculum. It should be something about the way in which schools operate. We should be aiming at getting participative schools and I would hate to think—and we would be missing an opportunity—that children and young people thought, ‘This is just something that happens in PSE, but when we go and do the rest of the stuff in school, it does not happen at all’.

[100] **Ms Hector:** Schools are given the freedom, in that they do not have to look at it as a PSE lesson; they can cover it in other curriculum lessons. So, it is up to them, and they could cover it in other curriculum lessons, such as history, maths or geography.

[101] **Michael German:** I absolutely agree that a whole-school approach to these things is essential, but, at the moment, because nothing is statutory, there is no requirement to do any of it, except to meet these outcomes. So, the only thing that schools have to do is to meet the outcomes that are written there, and there is no requirement in terms of the amount of time and so on. The point that I was getting at was that there is no sense of it being a compulsory thing that people ought to achieve.

[102] **Ms Hector:** No, it is a statutory requirement to teach the PSE curriculum; schools have to do it.

[103] **Michael German:** But, in the part that we are talking about today, which is the democratic framework and process, there is no requirement for it to be a specific part of the curriculum.

[104] **Ann Jones:** That is why we need to have ACCAC in to put our views forward. We have forcefully put our views across, and, in fairness to the officials here, it is not for them, but it is for us to now go away and try to influence the strategy group to address what we see as almost a gaping hole in terms of 'Making the Connections' and moving it forward.

[105] I do not think that there is anymore on that. I thank you all for coming, and I thank you for answering the questions so frankly and openly. There is no doubt that this has given us a lot of food for thought, and we will continue with our aim of getting more young people to participate. Thank you very much for coming along today.

10.29 a.m.

Adroddiad y Gweinidog Minister's Report

[106] **Ann Jones:** A statement is being distributed now, and the Minister has asked for it to be taken along with her report. I do not know whether David wants to join us at the table. I hope that the Minister's voice will hold out for her to introduce the report, but I ask her to do so.

10.30 a.m.

[107] **The Finance Minister (Sue Essex):** My voice is as it was yesterday, so there may be times when I will ask Hugh Rawlings to come in and say, 'If the Minister could speak, I am sure that she would be saying this', in his wonderful civil-service way. The report is there for you to read, but I just wanted to present a formal statement to committee on what is lovingly known as 'LABGI', the local authority business growth incentive scheme, because I formally announce the distributions of the funding for the next financial year. You have the statement in front of you, but I will just pick out a couple of things. David Fletcher has been leading on this.

[108] This is a new Treasury scheme, and the Treasury sets the rules of how it is to be implemented. Last year, it was £13 million and this coming year it is £18.3 million, and that was shown on our final budget. What was not done, I believe, at local government settlement time was to put the distribution in place. At the back of the statement is the distribution. This is quite tricky, because it is dependent upon business growth a year on, but what I was able to do in order for local authorities to take into account and work on this over the past few weeks, because all local authorities are setting their budget now—and this is found on the second paragraph of the second page—was to refuse:

[109] 'to increase the floors that local authorities have to reach'.

[110] I am sure that David can explain this to Members. That has been well received, because it has enabled authorities to go on and to plan at least on a base level.

[111] As I said, it is a Treasury scheme and comes through in terms of annually managed expenditure; it does not come out of our departmental expenditure limit. It is all around trying to encourage business growth. It is a three-year scheme, and this is the second of the three years. The sum will be slightly larger again next year, and I know that the Treasury is monitoring how the scheme has gone. I will leave it at that, as that was the only real thing to

which I wanted to draw people's attention.

[112] **Ann Jones:** We shall deal with this statement first.

[113] **Michael German:** I thank the Minister for that statement. It is particularly useful to local authorities that are setting their budgets now to know about and have some certainty regarding this funding and moving forward.

[114] First of all, I really want to examine the formula that the Treasury has devised to describe 'likely business growth', because you might expect Cardiff and Newport to be bigger. For example, I understand that half of the working population of Caerphilly works in Cardiff, and so Cardiff should be bigger. However, the amount of money that Caerphilly, as a fairly large borough in terms of population, receives is small compared with its hinterland neighbour, and there are issues around business growth and in trying to find new nodes of growth. Could we have an explanation of how that formula works?

[115] My second question relates to the floor itself. I am sure that I should welcome the Minister's announcement on this, but perhaps she could explain to me the implication of that move this year, because I am told—if I remember rightly—that this would be helpful to local authorities that are moving forward. I am sure that I shall welcome it, but perhaps I should understand it first.

[116] **Sue Essex:** Before I answer, do you want to see whether Members have any more questions, Ann?

[117] **Ann Jones:** Yes, we shall take the other questions first.

[118] **David Lloyd:** Following on from what Mike was saying, I would like to flesh out the point about the floor as well, before I welcome it, in terms of what it actually means. I, too, would like to understand the principle. The other overriding principle is one that was brought up in the consultative forum on finance yesterday. Granted that this is a Treasury scheme, which is Treasury financed and has Treasury priorities, but what safeguards come from here to try to balance out the social-justice aspect of this? There is a risk that the richer areas will get richer and the poorer areas will get poorer. Look at the figures here for, say, Blaenau Gwent in comparison with those for the Vale of Glamorgan or Cardiff. Okay, there are travel-to-work situations, as has already been alluded to in the case of Caerphilly.

[119] In looking at the poverty and deprivation agenda in Wales, the usual answer to try to sort these sorts of things out is, 'It's the economy, stupid'. This sort of scheme is fine and excellent, as we need business growth, obviously, and no-one will argue against that, but we would also like to see a redistributive element, with at least our poorer areas, which are most in need, also benefiting, and not always losing out. Granted, within the constraints of business growth, growth trends tend to happen in areas where businesses are already growing, but what is the link, across portfolios, with the deprivation front from here, and how does it match up with this sort of Treasury initiative?

[120] **Ann Jones:** David, you are next.

[121] **David Melding:** Dai made the points that I would have made.

[122] **Ann Jones:** Fine, thanks. It is all Davids today.

[123] **Mr Fletcher:** That is a symptom of being in Wales, I think.

[124] Good morning, committee, and thank you, Chair. On Mr German's first point, the

formula used to set up the original scheme was a model developed by the Office of the Deputy Prime Minister and the Treasury. Essentially, it took eight years of data split into five and then a further three years to analyse growth in the rateable values of local lists—rateable values of the business hereditaments as they are called, or the business premises. That is the essence of the scheme, and that is how we originally set the first year's estimate. We analysed eight years' data, using a very sophisticated model developed by the Treasury—obviously, it is a Treasury-led scheme, so we had to piggyback on it—and then we cast those data for a further three years. As with anything, these are general trends, and it just so happened that I was speaking to a statistician from the Scottish Executive yesterday, who asked my opinion on the model. He said, 'Well, some of the areas do not have trends'. As you know, rateable values go up and down, and are dependent on the number of businesses moving in or out. There is also something called 'empty property and partly-occupied property relief', and that has an effect on this. So, it is a very difficult thing to do.

[125] Although we have high-level trends, we set the first year of the scheme with £13.4 million, and we sort of guaranteed that that would not be clawed back if no-one ever qualified for LABGI. However, we are working closely now with local authorities, because they are best placed to guesstimate what they think the growth in rateable values will be, because they know the businesses that are there, those that are expanding, and maybe those that are not so lucky and are possibly struggling. They have that feel for it, so there is a partnership between us to try to come up with these.

[126] We have these figures for the second year based on the model, but we do not have the first year's figures in yet, though we have been discussing with local authorities what they think they have got, and they are encouraging. We will not know until we get the information from the Valuation Office and the local authorities regarding empty properties and partly-occupied relief as well. That is the first point.

[127] **Michael German:** Can we see that? I presume that they are graphs that project business growth for each local authority in Wales.

[128] **Mr Fletcher:** We have the figures that we originally anticipated, so we can give you those.

[129] **Michael German:** Thank you.

[130] **Mr Fletcher:** You can see that it will be based on the 22 authorities over the three years. When we get the information from the first year of the scheme, we can give you those as a comparison, though I have to say at this stage that they are very volatile. They are only indicators, and that I have to stress. It is incredibly difficult. For instance, where one of the steel companies pulled out of a local authority area, it had a major effect, as would the closure of a power station in north Wales. You cannot anticipate that with a trend.

[131] Your second point was on the link to deprivation, and the first thing to note is that this is an incentive scheme. It recognises that, when business rates were moved to the national non-domestic platform, there was no incentive for local authorities to do anything with them. They billed on behalf of the Assembly, for want of a better phrase, where it was redistributed back. Basically, we were saying that, if a local authority worked hard to try to get business in to its area, apart from the ancillary benefits of getting people into employment and then making wealth in the area, it did not get any benefit through the rating system. That is the first part. However, that said, the ones with the high-level business rate list at this moment will benefit more than others but, if they are going to attract business to those areas, they will have a bigger outcome as well.

10.40 a.m.

[132] That said, the scaling factor is 70 per cent. That means that we set a target for a local authority to achieve on the rating list. Say that it was 100,000 at the start of the year and we set it at 110,000—if they gave above the 110,000 on their list, they would be in the money. That is calculated by taking the difference between the actual growth that they have attracted, taking the target off it, multiplying it by 70 per cent, because that is the scaling factor—30 per cent of that goes back into the pool, essentially—and multiplying that by the multiplier, which, for last year was 42.1 and for this coming year is 43.2. That is how you calculate the growth. There is a lot within that but that is essentially how the scheme works.

[133] **Michael German:** What was the target for this year? Was it 10 per cent?

[134] **Mr Fletcher:** The target for this year is split into groups, so it uses the sub-regional model for Wales. Bear with me. If you get lost on the way, please tell me.

[135] Essentially, the model that we used with the Treasury analysed the data for all local authorities. You mentioned Caerphilly, which was one of the high performers, and that is in the higher group. You had three groups with 1 per cent, 1.7 per cent and 2.2 per cent. Within that, we had an array of growth. Pembrokeshire had negative growth and, unsurprisingly, Cardiff had the highest growth. So they were split into thirds, into those three groups. We put a national adjustment factor on top of it, which we negotiated with the Treasury, and which then reduced the target. Wherever they are with those targets, they will then be compared with the growth levels. We set those floors for last year; we have maintained the same floors for the coming year.

[136] **Michael German:** Just to be clear then, even if you did not achieve 1 per cent, you would still be in the 1 per cent category, as it is based on what you were last year. Is that right?

[137] **Ann Jones:** Yes.

[138] **Sue Essex:** I emphasise that it is an incentive scheme and we have to look at this, if the Treasury goes forward with it, in terms of what we are doing in the spatial plan, which is about trying to ensure that we have growth in those parts that have not historically had much growth. So, in a way, this reflects the current position and where things are going, but there are areas that, historically, have not had much growth and have been quite slow and one can expect some quite important changes to come through.

[139] As David said, his point has to be seen in relation to the fact that it took some time to make the decision in terms of non-domestic rates, as well as how that has been taken off and redistributed back. This is one of the areas that I am sure Lyons will be looking at, because we have made representations, so there might be some changes coming about on the scheme.

[140] We also have to acknowledge that there are growth centres, such as Cardiff, but not exclusively Cardiff, which have a major pull in terms of employment and action. That is a phenomenon across Europe. If we want growth and jobs, at times, we have to select and support growth points. It is important that we ensure that accessibility is there in the Cardiff metropolitan region for people to access jobs, but also that the smaller centres are not left behind.

[141] Lastly, this is a new scheme and I welcome it, because it offers additional funding to local authorities. It makes a real difference to get this extra money as a bonus, whether you are a small or large authority. However, the Treasury is going to assess it and see how it works, and so that is a chance for us to put our views in. We might also want to formalise that and put it through to Lyons, because, as David says, it really makes local authorities think proactively about how to get business development in.

[142] **Michael German:** Does the power over the 1 per cent, 1.7 per cent and 2.2 per cent groups lie in the Assembly, or are those guidelines set elsewhere?

[143] **Mr Fletcher:** It is a Treasury scheme and we negotiated those with the Treasury. England has the national historic growth model, which is based on about seven groups. Obviously, there are about 400 local authorities in England, with a growth difference of about 15 per cent across the board. Therefore, you can see that our grouping is much closer, so we did not like that model. We did two consultations on this scheme, and the consultation came back with responders, especially the WLGA, saying that they preferred the sub-regional model. We then adopted that model. However, we could change the scheme within certain parameters, with the agreement of the Treasury.

[144] **Ann Jones:** If that is sufficient on the statement, we will move to the Minister's report. Sorry, Sue, did you say that you had nothing to add to your report other than the statement, or do you want to pick anything out of your report?

[145] **Sue Essex:** There is just one thing. There is a glitch on Value Wales. It says in the report that Value Wales will be fully operational by Christmas this year, but Value Wales is nearly fully operational. Certainly, the procurement has been up and running for some time. We are just strengthening the organisation, and we will be appointing people in certain areas, particularly capital procurement and shared services. So I apologise for that.

[146] **Ann Jones:** Thank you. We will take items 1 to 7 first. Do Members have any questions on those items?

[147] **David Lloyd:** On item 7, 'Making the Connections', it says under 'citizen-centred practice' that the scoping study on a citizen entitlement smartcard has been completed. Could you give us some details, Minister, about exactly what this smartcard covers, including what entitlements, and how it will work, being as the study has been completed and we are going ahead for a business case? My other question refers to Public Service Management Wales. We have discussed this issue before, and we are all fundamentally in agreement with the way forward here. When we discussed this some time ago, there were some concerns about the involvement of the health service in this, in terms of eventually developing like an all-Wales civil service—doubtless headed by someone like Hugh. [*Laughter.*] We digress here about Hugh's future career.

[148] **Ann Jones:** Yes, we should stick to the Minister's report.

[149] **Michael German:** Civil servant bites back.

[150] **David Lloyd:** On having sort of free journeys of civil servants between different parts of the civil service, how active was the involvement of the various health trusts and local health boards in this Public Service Management Wales situation?

[151] **Gwenda Thomas:** On item 7, the last bullet point under 'joined-up and simplified public service' refers to the commissioning of specialist placements for children. That is good news. The commissioning of specialist placements has long been a problem, and I am glad to see a reference to it there.

[152] Going back to item 6, the last bullet point mentions partnership working and regional working, and the link with Value Wales and the collaborative contracts. That interests me very much. Do you see a growth in those collaborative contracts as Value Wales develops from now to Christmas?

[153] **David Melding:** Items 6 and 7 are quite connected in my mind, though perhaps not in the Minister's. However, it is important that there is regional working and more effective working within authorities—or between various agencies within authorities. It can also have a regional dimension, which is very important. I think that I mentioned in a question to you last week, Minister, that Rhondda Cynon Taf is leading a campaign to recruit foster carers on behalf of a whole region of south-east Wales, including a lot of advertising. That is an excellent example of something that we should encourage.

[154] I am pleased to see that the WLGA is taking up the agenda, and I hope that that report will be fed through to us as soon as possible. I reiterate what Gwenda said regarding the commissioning of specialist placements for children—that is under item 7. That often has to be done regionally. The problem is that, because for decades it has not been done regionally as well as it should have been, we see a lot of inappropriate placements way out of county, and often out of nation. I have long believed that this does a great disservice to children who are in particular need. They are torn from their families and their communities. That is one area in which I am sure that the Minister is keen to encourage an improvement in the commissioning process.

10.50 a.m.

[155] **Sue Essex:** To start with Dai's point on Public Service Management Wales, it is in the process of changing to be quite a different animal from the organisation that we set up. These changes are all for the good. When we first set up PSMW it was with the very laudable aim of removing the gaps between training services in the public sector in order to get a more joined up approach. That is still very much part of it, because we want to emphasise the ability of people to move across the public sector and have a good career in the sector. It has become an important component in the delivery of 'Making the Connections', in looking at where there are skills deficits. As well as networking and the ability to co-ordinate, it is about addressing certain key skills gaps in collaboration.

[156] I am quite happy to provide some details on the scoping study. We want to stress that this is an entitlement card, and that it should not be confused with what the Government is doing on identity cards. That is fundamental. It is a matter of recognising that, across the public sector, many services are being provided for which people need to show identification to prove their entitlement. It becomes very laborious, and people's wallets are full of different cards, so we are trying to create a one-stop shop for entitlement. I remember that the First Minister was particularly taken with what he saw in Australia, where, at times, the private sector could offer more on top of the public sector provision. That was to do with entitlement cards for senior citizens. It is a big step, which is why we are making a business case.

[157] To return to 'Making the Connections' and the points that Dai, Gwenda and David raised, this is a really major agenda for the public sector. The NHS is involved in PSMW, and part of the restructuring is probably going to remove the need for membership, but ensure that everyone can buy into that. To reassure Dai, there has been a huge sea change, and the NHS is now fully signed up to this.

[158] I am pleased to say that the issue of collaborative working is moving very quickly. Out-of-county placements have been identified as one of the most important areas to move on early. As you and Gwenda said, what has been happening to children is unacceptable. They are the most vulnerable children, and for them to be dislocated in that way is just horrendous. Local government is working with us to establish what needs to be done and where joint provision can be offered. Often, it is only through joint provision that answers will come.

[159] The regional agenda that local government is moving to identifies four regions. I was in north Wales last week, where that region had its inaugural meeting. There is a practical

administrative way to deal with those collaborations. It is not done exclusively in the regions. There may be collaborations across sectors, which are important, and, given the geography of some areas, it makes more sense to do that. The critical thing now is that we give those collaborations the nuts and bolts support that they need to take these through. That is what Value Wales is intending to do. Obviously we have received expressions of interest, although I have not yet seen those. Those were due to be in by 31 January, and those are being worked on for the £3 million pot of money to give that support to good initiatives, wherever they are.

[160] I think that it would be fair for me to say that this is one of the big sea changes, certainly in local government, but also across the public sector. There is this realisation that not only are you going to get better value for money, but, if you do it properly, you are going to get more outputs and better outcomes in terms of the service delivery. It is not an easy option in some cases, because the easy option sometimes is just to do things as you have traditionally done them. There are some banana skins around as well, and it is particularly important that we try to understand what needs to be done locally and what can be done strategically. There is a real enthusiasm to work through this agenda, and some authorities have really got the bit between their teeth and are coming up with lots of good ideas.

[161] **Ann Jones:** Thank you. We now move on to item 8 to the end, which is item 13.

[162] **David Lloyd:** On item 8, which is on the business rate relief consultation, I wanted to flesh out the information about these workshops. How many have there been and what are the attendance rates? What are the early indications in terms of the feedback on this very important topic?

[163] **Michael German:** On item 12, would the Minister like to indicate whether or not she is likely to move down the route of giving her guidelines on capping, in terms of local authorities and police authorities? If not, when is she likely to make her mind up regarding when she might be thinking of introducing her draft guidelines, as she did last year?

[164] **David Melding:** On widening participation, I think that this is very important but very difficult. There are some pressing needs. All the issues that are raised here are important, but if you look at the minority ethnic population, its levels of participation are not what we would like them to be. Sometimes, it requires more than each political party trying to do something about that. There is a wider cultural issue related to this. I think that strategies to try to encourage certain groups to get more involved are very important. Then, obviously, political parties will often be able to link up with that process.

[165] **Catherine Thomas:** Under widening participation, there are some huge challenges there. One point states that council meetings must be held at times that fit well for those in employment or with caring responsibilities. Is there a good time for carers? If you are a 24-hours-a-day carer, there are so many restrictions, and that presents such a huge challenge in itself.

[166] **Mr Rawlings:** I will pick up that last point on widening participation first. In terms of the black and minority ethnic communities, I do take the point. Mr Melding will see the third bullet point there on publicity and information on how to be elected and so on being produced in minority languages.

[167] On the point that Catherine Thomas made about the timing of meetings, this was an issue that flummoxed the Sunderland Commission in 2002. The commission was perfectly happy to think about recommending that meetings should be held early in the evening after work, but, of course, a lot of councillors in places such as Gwynedd said, 'Look, we have to travel 50 miles for a meeting; we are not up for travelling back at 10 p.m. or 11 p.m.'. You really cannot make recommendations across the board; you have to leave it to the councils'

good sense to time meetings in a way that reflects the realities of the local circumstances.

11.00 a.m.

[168] The problem with that, of course, is that it tends to be self-reinforcing, because the existing group of councillors will want to have meetings at times that suit them. There is no easy answer to this one.

[169] Many of the issues here were addressed by the Sunderland commission in 2002. One of the motivations for bringing this forward again now is that, as the committee will recall, there was a major turnover of council members in 2004. There is some evidence of members having been elected who had no expectation of that; they became councillors and entered the council chambers for the first time as members. That was not ideal. The suggestion came forward from some of the chief executives that we might think about addressing issues for those who thought that they might stand for council. So, for example, the first bullet point suggests that councils establish a register of potential candidates, who would be invited to attend council meetings so that they acquire a better understanding of what being a local member might be.

[170] On the business rate relief—unfortunately, David Fletcher has left—I know that there have been workshops; there were at least three, but there may have been four. The initial response, I think, was a little disappointing in terms of turn-out, but I do not have the details with me; perhaps we can put a note in, Sue? However, we intend to bring back a report of the process to a meeting in March. We will give you that information then. However, there has initially been a discouraging lack of interest.

[171] **Sue Essex:** I am pretty sure that there were four. As Hugh said, I made it clear that we had an open book on this; we thought that it had to be reformed. There are different interests and people will say different things, which sometimes compete—we have to understand that—but we have done our best to reach out to the business community. I do not know what it has said, but we will bring a report to the committee.

[172] On the settlement, I have been pretty clear in all my answers to questions in Plenary. I introduced the principles last year because I was particularly worried that some authorities would see council tax revaluation as a way of dramatically increasing council tax. I have no regrets about doing that, because the settlements that went through were far more sensible as a consequence. That concentrated people's minds. I did not particularly like doing it; I am not an enthusiastic supporter of that and I would have preferred not to do it, but that is always an option. It remains as an option this year. So far, the feedback that I have received from local authorities makes me feel far more positive than I did last year. However, it is still in the early stages, and we are just keeping an eye on the matter. I have not had discussions with many authorities, but those I have had have been very constructive. Everyone understands that we do not want to tie the hands of local councils too much. I respect that. I have been a local councillor, as have many Members. However, we have to be sensible in terms of council tax increases and ensure that they can be justified. In the public mood, I think that the days of volatile council increases have gone. I do not think that the public would accept that, and that has been realised locally and centrally.

[173] **Ann Jones:** Are there any more points on the Minister's report? I see that there are none. Thank you very much Minister for struggling through that. The committee members all seem to be suffering; the cold is moving around the table very rapidly.

[174] We will now break. I believe that Sir Jeremy Beecham is in the building, so we will come back at 11.20 a.m..

Gohiriwyd y cyfarfod rhwng 11.05 a.m. a 11.22 a.m.

The meeting adjourned between 11.05 a.m. and 11.22 a.m.

**Adolygiad Beecham o Gyflenwi Gwasanaethau Lleol
Beecham Review of Local Service Delivery**

[175] **Ann Jones:** I welcome everyone to the second half of the Local Government and Public Services Committee meeting. I remind Members that, if they switched on mobile phones, pagers, BlackBerrys or any other device during the coffee break, they should switch them off. Also, members of the public in the gallery should ensure that mobile phones and so on are switched off, as they interfere with the recording and translation equipment.

[176] **Ann Jones:** This is the final item on the agenda for this morning's meeting. Sir Jeremy Beecham's review was discussed at our last meeting and we are pleased to have Sir Jeremy here this morning to discuss his review with us. We can ask questions and exchange some of our views with him before we prepare our formal response to the review.

[177] Welcome to Wales, Sir Jeremy. We are delighted to have you here. We are sorry that we are not meeting in our new building today, as we had hoped to have had this meeting there. I am sure that we will invite you back when we are fully ensconced in our new building. Could I ask you to give a brief outline of where you are with your review or an outline of the issues that you feel that we should discuss today? Members will then ask a set of questions. I ask you to briefly introduce your paper.

[178] **Sir Jeremy Beecham:** Thank you for the opportunity to meet members of the committee. We are, I suppose, about three quarters of the way through the process of preparing the report. We have seen over 40 groups of people, representing various interests connected with public services. We have received 115 written submissions thus far, and one or two may trickle in a little late. We still have some people to see, including the leaders of the political parties in the Assembly, if they wish to see us. An invitation has just gone out to offer that facility to the leaders, or their representatives, asking if they would like to meet us.

[179] We are reporting in June, so we will shortly begin the process of assimilating the evidence. We will shortly be receiving a survey, which we have asked for, about the public perception of public services, as we thought that it was important to get a take on that. We will then begin to make the recommendations. Issues will, undoubtedly, be raised this morning, but some of the themes that have come across include a broad welcome for the successes thus far in terms of devolution, and the relationships between the Assembly and local government. We have also seen some welcome evidence of collaboration within and across the public sector in its various manifestations.

[180] However, issues have been raised with us, from a variety of sources, around capacity and the presence or otherwise of challenge in the system. We are looking across all devolved and non-devolved public services, in the context of the 'Making the Connections' agenda, and I hope that we will be able to offer some constructive thoughts about the way in which the concerns that have been raised, and those which we have raised ourselves, might be taken forward. However, this is not an exercise in which the team will be pronouncing on every individual service and offering thoughts about the policies to be followed and the structures to be adopted across the whole range. We are not equipped to do that and it is not the task that we have been given, but I hope that we can contribute to the debate.

[181] **Ann Jones:** Thank you. We will move straight into questions.

[182] **David Lloyd:** As the Chair mentioned, we discussed your review at the last committee meeting. We are well aware, having seen the brief for that meeting, that various themes are

emerging as regards public service delivery. Obviously, one of those themes in Wales is that we have 22 local authorities. I have two related questions. Your review has a very broad remit, so to what extent are you carrying out blue-skies thinking? Are there any constraints, or will you respond to a potentially huge agenda? Is the commission prepared to consider the reorganisation of local government in Wales? Has it received any representations to date calling for that?

[183] **Sir Jeremy Beecham:** On the first point, I am not a great fan of blue-skies thinking, unlike John Birt. I think that it rather leads to back-of-the-envelope random thoughts. We prefer to be evidence based, where we can, and to draw on experience in Wales and elsewhere as to what might be achievable.

[184] One point that comes through very strongly is that the opportunity to do things in Wales, in terms of public services, is probably greater, because of the scale of the organisations, the population and so on, than it is in England, for example. Speaking as a former chairman and vice-chairman of the Local Government Association, representing 400 councils, it is very difficult to get a unified view across them, let alone the rest of the public services. It seems that the potential in Wales is greater. I do not think that we feel constrained in terms of the review team's work. I suppose that there are constraints around what might ultimately emerge, partly reflecting the devolution settlement and issues that may not be taken very far just within Wales, but we will be looking at relationships, for example, with the work of the Department for Work and Pensions or the Home Office that impinge upon local public services. I think that we will have something to say about those. Otherwise, I do not think that there are particular constraints.

11.30 a.m.

[185] In terms of reorganisation, we have not detected a lemming-like urge on the part of local government for reorganisation, nor, perhaps rather surprisingly, has it been put to us by many, if any, others, that local government should be reorganised. Indeed, colleagues from the health service were apt to point out that studies show that reorganisation imposes considerable turbulence for a considerable time and, sometimes, at a considerable cost. We note the police reorganisation, which I know is a significant issue here in Wales, but, nationally, the costs are such that the payback period is allegedly 20 years. I am not suggesting for a moment that that would necessarily follow in terms of local government reorganisation here, but it is not something that necessarily warms one to reorganisation. So, I do not think that we have detected huge pressure for that. There is a concern of course, which relates to the capacity issue, about whether the number of organisations in local government, or indeed the health service, lends itself to sufficient efficiencies, and whether that might be improved. I think that we are likely to say, but we have not reached conclusions yet, that greater collaboration will be essential, and it may be that if, ultimately, that proves not to be effective, then another view might have to be taken. However, I think that that is likely to be the route that we follow, rather than, at this stage, calling for wholesale reorganisation of local government.

[186] **Michael German:** Your remit says that you can look elsewhere for changes, wherever they may occur. You have already mentioned the DWP and the Home Office. Can you tell me where you have looked? Have you just looked at the rest of the UK, or have you looked at other examples of change in other parts of Europe, or elsewhere?

[187] **Sir Jeremy Beecham:** At the moment, we are looking at the UK, and particularly at some of the developments in England around public service reform and collaboration. We are looking at local area agreements, and local public service boards, which are in their infancy in England, but which we would like to examine in the Welsh context. We will be looking at what has been happening in Scotland; that has not happened yet. Northern Ireland is very different. I have some experience of Northern Ireland and I do not think that we want to emulate here what

has happened there in organisational terms. As for beyond the UK, we have not really trawled Europe or the world. The pressure of time and the resources available to us make us want to look particularly at what is relevant in the UK. That is not to say that we would close our minds to interesting examples from abroad, but we have not gone looking for them.

[188] **Michael German:** On the back of your answer, I ask about local public service boards in England. What do you think would be the lesson that we could look at? What are the early lessons you have seen from that process for Wales?

[189] **Sir Jeremy Beecham:** It is too early to draw lessons from them because they are very much in their early stages. The concept is an interesting one, and, going back to the point I made before about scale, I think that there is, in some ways, greater potential to make them work here than there might be in England. The closeness of the Assembly Government to services on the ground is obviously greater here than it is in England, where Government offices, essentially, deal with local authorities and other agencies at the local level, but then refer back to Whitehall. There is a potential here, which we would want to explore, for getting ahead of the game with that concept. However, it is early days, and one does not necessarily assume that it is plain sailing. Local area agreements, which are a step below local public service boards, also interest us, and, again, there have been some very good examples, but, equally, there are some problems around the degree of ambition on the part of the partners and the degree of flexibility on the part of Government departments. Again, that is something that might be easier to deal with here than in England.

[190] **Michael German:** You talked about relationships, and one of your key relationships is with the Lyons review on local government finance. You cannot divorce finance from the changes that you might want to propose. The problem is that you are reporting in June and Lyons is not reporting until the end of the year. How will you reflect what it will say? Will you be second-guessing what it will say, or have you had private conversations in that context?

[191] **Sir Jeremy Beecham:** The Lyons review might reflect what we would say—we are first-guessing. The review, of course, goes beyond finance. Michael Lyons is looking at function and finance, and, whatever the review says, I suspect that nothing will happen significantly until the next Parliament, as far as England is concerned. I do not think that we can wait for Lyons or that Wales should wait for Lyons. The finance side is, of course, important, and, unless you sought primary powers in Wales, presumably you would have to follow the legislative conclusions that might flow from his review in that sense.

[192] I was talking just this morning about arranging a meeting with Sir Michael, and that will take place fairly soon. Of course, I have had contact with him over time from the English local government perspective.

[193] There is one area that I am slightly apprehensive about in relation to what he has said and written thus far. It has always been said that finance should follow function and not the other way around, but there is a sense in which one of the lines that he has been developing is that it may be—and I paraphrase his position, I hope not unfairly—for local government to deal with the problem. Of course, he is only concerned with local government, and that is a major difference in processes. Local government would have more freedom to do less. This is an offer that Governments of all colours constantly make, and I hope that local government will resist it in England. That may occur here as well. So, we might not necessarily come to the same conclusion.

[194] **Michael German:** I am trying to read carefully what you are saying. One consequence of trying to alter the balance of funding, which Michael Lyons is trying to address, could involve taking out huge chunks of work that cost a lot of money, so that the balance might be arranged in a way that means that you have a bigger proportion coming in locally for those

services. That is one way of dealing with the problem. Is that the issue that you were alluding to?

[195] **Sir Jeremy Beecham:** Yes.

[196] **Michael German:** Thank you.

[197] **Sir Jeremy Beecham:** You put it much better than I did.

[198] **Gwenda Thomas:** What representations has your review received from other relevant bodies regarding an expanded role for local government in health and social care?

[199] **Sir Jeremy Beecham:** We have had a lot of discussion around health and social care issues, and I think that you have seen the Welsh Local Government Association response. I do not think that we have received particular recommendations for an expansion of the local government role as such, but we certainly have about the need for much closer working between health and social care. That might lead us into looking at structures. There is a feeling that there are, or have been, significant capacity problems—I have mentioned those already—particularly in the realm of social care and children's services. There is a significant issue around commissioning in both arenas, and there is a constituency for change around how both services are delivered. The Assembly's policy will be announced in March; it was to be called 'Designed for Care', but it may not be called that now. We will want to consider that, of course, before we make recommendations.

[200] **Gwenda Thomas:** Has there been any provision to consult with children and young people via networks that support children, particularly in the voluntary sector?

[201] **Sir Jeremy Beecham:** We have not, as such, met young people's organisations. I am trying to recall whether we have received representations specifically from those groups; perhaps Carys can advise me.

11.40 a.m.

[202] **Ms Evans:** I do not think so. We are talking to Funky Dragon about doing something. However, we have not really discussed this properly. Many of the issues that the review is looking at are intra-government issues in many ways, and they include performance management, regulation and inspection and so on. It might be quite difficult to have a meaningful session with young people about those issues, but I do not want to prejudge that. We need to think about that.

[203] **Gwenda Thomas:** If importance is now being placed on involving children and young people in the democratic process and matters that affect them as much as they do adults, then I think that the review would probably benefit from input and a consideration of the views of children and young people, particularly on things that will impact greatly on their lives. That is just my personal view.

[204] What account has your review taken of other reviews of the health service? I am thinking in particular of the review of the interface between health and social care that was chaired by David Melding for the Assembly. That is an example of excellent work that could probably inform the review.

[205] **Sir Jeremy Beecham:** Apart from the written submissions that we have received, and the meetings that we have had, there is a desk job to be done, and we have certainly gone through, individually, many documents and reports, and that will be reflected in our report.

[206] As far as the children and young people's agenda is concerned, there are two aspects to that. I entirely take your point, and if we have not received representations from representative groups from that sector, we should go back and invite them. On the other side, in any event, we will want to say something about governance issues, because that is an underlying theme in all these public services, and the involvement of users of services is very important. Within that, clearly, children and young people's interests have to be reflected. So, that would certainly be part of the agenda.

[207] As I said earlier, we will not be getting into service-specific issues in terms of what should be delivered to whom and when as the structure within which the appropriate policies can be developed and delivered effectively. It is in that sense that Carys was perhaps questioning the degree to which young people would have an input, because we will not be looking at what specific services should be offered as opposed to how they might influence those services. That is the key point for us.

[208] **Ms Evans:** In answer to the question, we have received representations from organisations such as Children in Wales and from some of the voluntary sector bodies. I meant that we had not heard directly from young people.

[209] **Gwenda Thomas:** The Committee on Equality of Opportunity is conducting a review of services for disabled young people. To assist the main review, the committee decided to set up a group of young people to work in parallel with it, and that was facilitated by Barnardo's. That would be useful for your review, because it appears to be just about ready to produce an interim report on the findings of the process.

[210] **Sir Jeremy Beecham:** I think that that will be very interesting because, almost by definition, it will be cross-cutting and it will look at a range of issues, from employment to housing, education and so on, as well as benefits, perhaps. That is exactly the kind of area that we need to get into. Promoting cross-cutting delivery and cross-cutting scrutiny—the latter being a particular hobby-horse of mine—is germane to our considerations.

[211] **David Melding:** Why should councils not deliver primary care and community healthcare? We would then have a unified approach to the delivery of care, which is really, at that level, not much differentiated in the public's mind. Councils have become increasingly professional. We have unitary councils, as you know, in Wales. The executive procedures are bedding in and have been quite successful, in my view. I am sure that scrutiny will improve, and I think that the public would understand that, if they had a problem with the care service, for example with their general practitioner or with there being a lack of nursing home care or whatever, they should complain to their councillor. Why do we not make this vital public service directly answerable to politicians, who could really get involved and do a job of work there?

[212] **Sir Jeremy Beecham:** I have a good deal of sympathy with that point of view. We are a three-member team, and I am flanked by two experts in the health field in Gill Morgan and Adrian Webb, whose advice I have to listen to very carefully—we hope to produce a unanimous report. It is an interesting question and there is a certain logic in that approach, but there are various ways in which you could cut the argument. One is to look at the scrutiny role of health services, which, at present, is carried out by community health councils in Wales and, in England, is a statutory function of local government. That has been quite successful. So, that is one issue that one might look at.

[213] It would also be possible to look at delivering primary and community care services alongside social care in a more unified way, as used to be the case before the 1973 reorganisation of the health service. I was a councillor at that time, and I distinctly remember the change from what had been essentially a local-authority-led service to what purported to be

a seamless NHS—and I rather hanker after the pre-1973 position. Whether that is deliverable is an issue and it certainly raises questions about capacity at a local level. One might well have to look at mechanisms that would brigade local authorities, if you wanted to go down that route, to deal with the range of issues that arises. There might be a stronger case for joint appointments and so on. In England, joint appointments are beginning to emerge between primary care trusts and local authorities. I think that there is one similar appointment so far in Wales. However, it is an open question and, instinctively, making the service more accountable and integrated is the route that I think that we would like to take. Whether that particular model will emerge has yet to be seen.

[214] **Catherine Thomas:** I have two questions. First, has your review received any representations with regard to a reduction in the number of councillors? Secondly, has it given consideration to the role of non-executive councillors, especially in light of the Welsh Local Government Association paper and this committee's report?

[215] **Sir Jeremy Beecham:** We have not received representations about the numbers of councillors. We are aware that views have been expressed around that issue, sometimes by councillors and sometimes by others. It has not particularly been a factor that has emerged in the course of the evidence or the discussions that we have had. I am very seized of the need for non-executive members to have a greater role than has yet developed, certainly in England and perhaps also here. I read with interest the committee's report about this from last year, and I agreed with much of it. Given the complexity of modern local government, the need to hold other agencies to account, whether in the health service or elsewhere, and the possibilities of more collaborative arrangements that would perhaps involve joint appointments, pooled budgets and the like, the questions of accountability become even more acute. For that to work, one needs to have sufficient councillors, with sufficient support to exercise those functions properly. So, scrutiny is certainly something that we will want to comment on.

11.50 a.m.

[216] I think that we would want to look at the status of scrutiny. This committee recommended, for example, support for Members exercising those functions, and I think that we would agree with that. I notice that there was a recommendation about whipping in the scrutiny context, and one might say something about that.

[217] However, two aspects in particular attract me. One would be to raise the status of scrutiny chairs to something equivalent to that of cabinet members or portfolio holders, so that it is not seen as a second-class service in an authority. However, secondly, to widen participation in scrutiny it is necessary to embrace service users, the voluntary sector, and others, in a way that some authorities do in England. I am not sure how many do that in Wales—the impression from the report was not many, but that would need to be checked, because it is now two years on. It will be very important for scrutiny to involve a wider range of participants, particularly in what its major job should be, which is not, to use an earlier phrase, 'second-guessing' decisions that have already been made, but looking prospectively at policy areas, particularly to get engaged in cross-cutting issues.

[218] With respect to this committee and Assembly Members, we are also interested in seeing how scrutiny works in the Assembly, and whether there is sufficient cross-cutting scrutiny here. I appreciate that, at present, the committees are largely aligned to the portfolios. That may well change with the new Government of Wales Bill, but I think that the same principle might apply. More cross-cutting scrutiny, and perhaps more engagement with service users and others, might help the Assembly's scrutiny role, as well as local government's.

[219] **Gwenda Thomas:** On that point, do you think that you might be saying something about the control of agendas for scrutiny committees?

[220] **Sir Jeremy Beecham:** In the sense that I notice that there was a recommendation in the committee's report that portfolio holders should not prevent call-in. I assume that there may be a lurking suspicion that portfolio holders lean on scrutiny committees in terms of what they consider. It is important for scrutiny to be independently resourced, wherever it is—whether in the Assembly or in local government. That may be difficult for some of the smaller councils, because of the cost relative to the size of the council budget, and that matter might need to be considered. However, that independence is also better protected if scrutiny positions are shared across parties, though that may not always be the case. I used to advocate that—unsuccessfully—in my authority when my party was in control. In fairness to the succeeding administration, that has now been applied. It may be regretting it, but it has happened, and it is important that that should be the case.

[221] As I was advocating before, it is easier in some ways if scrutiny is seen in the light of looking forwards rather than back, and that the whip does not apply. I notice that the committee's recommendation was that if the whip were applied, it should be declared. I was rather surprised by that. I think that there should be no whip in scrutiny committees. My party certainly takes that view nationally, though I do not know whether it is always applied.

[222] **Gwenda Thomas:** You have already mentioned the local area agreements in England. What consideration have you given to the performance of the community strategy partnerships in Wales?

[223] **Sir Jeremy Beecham:** We have looked, and are looking, at the partnerships and at various manifestations of joint working, including, later, the partnership council and the policy agreements, which are somewhat analogous to the local area agreements in terms of sketching outcomes and providing some financial inducements. The impression is that the local area agreements are potentially a more robust mechanism for getting agreement on, and incentivising, outcomes than the present arrangements.

[224] **Gwenda Thomas:** Do you think that there might come a time when there will be a need for more compulsion in co-operative working?

[225] **Sir Jeremy Beecham:** I think that there is potentially—and I say this somewhat reluctantly—a need for intervention powers in some areas in the event of significant service failure, particularly with regard to child protection. The quality protection programme in England stemmed from incidents there, and Wales has had its own experiences in that respect.

[226] One wants to try to design a system in which that becomes very much a last resort and in which, if possible, peer review mechanisms—and I am speaking not just about local government, but across the sector—are used. In local government in England, we have found peer review to be very effective. It has reached the stage in local government where sometimes, not only a review, but actual support has been organised from within the sector. A successful council or group of councils will send people in to a council that is struggling to help that authority to get back on course. In the health service at the moment, we are seeing teams being sent into trusts that are in financial difficulties. It is a necessary provision, and there must be an opportunity to do it. However, it is of course better to avoid getting into that situation in the first place.

[227] Therefore, more challenge in the system, using local area agreements to set agreed stretching targets, better performance management and peer review that works both ways—because people take their experiences to an authority and share them, but they also come back with experience that they can deploy, with regard to officers, members and other partners—should all make intervention a last resort. However, it may be necessary.

[228] **Gwenda Thomas:** Does the social services information agency point in the right direction?

[229] **Sir Jeremy Beecham:** I have not seen its work yet.

[230] **Ms Evans:** The social services improvement agency.

[231] **Sir Jeremy Beecham:** Oh, the improvement agency. Sorry, I was slightly thrown by the mention of the information agency.

[232] **Gwenda Thomas:** Sorry.

[233] **Sir Jeremy Beecham:** Yes, it is, and the WLGA is making considerable strides in securing collaboration and driving the improvement agenda. That is very welcome. We have found the improvement and development agency in England to be very effective in that respect.

[234] **David Melding:** I wish to follow up the issue of partnership working, which has been a strategic objective for quite a while. It has been somewhat strengthened by more reference to duties on various agencies to co-operate. However, the evidence that I have received on the Health and Social Services Committee, on which I used to serve, is that there is still a lack of effective mechanisms to make it a reality. Unless you compel agencies to work together by hypothecating funding, and perhaps making certain grants available to them when they combine, matters such as the pooling of budgets and the appointment of joint staff remain aspirations. Quite a lot of professionals at a local level, where there is a great deal of functional co-operation, are frustrated that this has not been matched by a more strategic approach of working together effectively. Do we need to get tougher?

[235] **Sir Jeremy Beecham:** I would rather start with incentives. [*Laughter.*]

[236] **David Melding:** That was to be my next question. You may provide incentives, and examples of where good practice has bloomed too.

12.00 p.m.

[237] **Sir Jeremy Beecham:** Yes, I think so. I am hoping that, in our examination of the potential for local area agreements, we can identify ways in which one might incentivise that. In England, again, there is a reasonably effective mechanism for delivering on outcomes through a performance reward grant, which you have to agree to start with, and that is an agreement not just between the partners but between the partners and, in this case, the Assembly Government, so that the interests are there. It may also be that you would involve, depending on the policy area, a third sector, or the private sector in appropriate cases, in reaching the agreement on what outcomes you are seeking.

[238] Another very useful mechanism, which has now stopped being used in England, I think, is the planning development grant. A deliberate attempt was made to improve the performance of local government in terms of turning planning applications around, and grant was provided. It was not hypothecated, in the sense that it did not have to be used. If you were succeeding in hitting your targets on the planning side, then it could be used for anything. That is quite a good mechanism and it proved to be quite successful.

[239] So, I would rather start with that, and I think that it is probably better not to rely on prescription. However, a question has been raised in a number of areas, including housing, about the extent to which the Assembly should perhaps be a bit more upfront in terms of the leadership and guidance that it gives. There is obviously a balance to be struck here, but it has emerged as an issue that perhaps a little more clarity, rather than prescription, would be helpful.

We may want to reflect that.

[240] **Ann Jones:** Thank you. I will follow on from that. Has your review considered the partnership council working that goes on between the Assembly as a corporate body and local government at the moment? That sets the strategic goals for local government. Given that, following the separation of the Assembly and the Welsh Assembly Government, the council will consist of local government officials, WLGA officials, council leaders and the Welsh Assembly Government, and not the Assembly as a whole, how will that affect the workings of the partnership council?

[241] **Sir Jeremy Beecham:** The latter point is a little difficult to predict, but I assume that the partnership council would be subject to scrutiny, perhaps by this committee, or some other Assembly committee. That is a matter for the Assembly. Perhaps that dimension could be added, given the change.

[242] We have heard, particularly from those in local government, that they very much value the partnership council and their relationship with it. I was quite struck by the fact that even those in the fire service whom we met paid tribute to the council and its effectiveness. There has been a strong feeling that the relationship between Ministers and local government in particular has been close, that the access has been good and that the dialogue has been very constructive. On the other hand, one point that emerged, perhaps rather surprisingly—and I think that it surprised officials—was that, without going so far as to claim that people felt nostalgic for the days of the Welsh Office—

[243] **David Melding:** Some of us do.

[244] **Sir Jeremy Beecham:** Well, there is the odd recidivist. [*Laughter.*] There was a feeling that they were seeing rather less of civil servants out and about than before. However, they had more access to the politicians than before. So, the Assembly Government and officials might want to look at that, because, presumably, that to some degree influences how the partnership council works. We are seeing the partnership board in a few weeks' time, are we not? Is that right?

[245] **Ms Evans:** I cannot remember, sorry; I am not sure.

[246] We are meeting the Public Services Board.

[247] **Sir Jeremy Beecham:** Yes. I beg your pardon. There is a better relationship, I think, between the Government and local government in Wales—again, it is partly a function of scale—than in England, although it is better in England than it used to be.

[248] **David Melding:** You have alluded to this briefly, but I would like to ask about what sort of evidence you have had in terms of measuring and comparing performance in local authorities. To give an example in social care, there is a scheme that is trying to improve the data that inform management and strategic choices. However, much of the data seem remarkably weak. If you take, for example, two local authorities in the Valleys with very similar socio-economic profiles, you might get one authority doing 30 community care assessments per 10,000 of the population, and the neighbouring authority doing 100 assessments per 10,000 of the population. When you scrutinise that, you are told that they are probably doing the same amount of work, but that authority A does not necessarily call it a community assessment. You could look at such a statistic and say, 'The neighbouring authority is doing three times as much', but it is not firm data and does not tell you that at all. Delivering modern public services without effective performance data is just not possible. We have to be confident that the data are improving and that we will get to a position where they will be reliable. I do not want to drill down to ridiculous micro-detail, but, broadly, we need measures

that will be reliable performance indicators, do we not?

[249] **Sir Jeremy Beecham:** We do. This, of course, is not a uniquely Welsh phenomenon. We are drowning in data, and some of the data are useless, and some perverse and thus worse than useless. However, some of the data are useful. If one is looking at performance management and performance data, we have to start with—as for inspection and regulation in general—what is proportionate and what is meaningful, and concentrate on that. In terms of individual authorities, without getting into league tabling, which is not necessarily helpful, perhaps more benchmarking and looking across at what other authorities are doing, not just within Wales but across the border as well, can be helpful. I think that Cardiff, for example, benchmarks itself with Nottingham as an authority of comparable size and similar socio-economic conditions. That kind of approach makes sense.

[250] The indicators are important in two respects. First, the council itself, and members in particular, can judge and be better informed about how the authority is doing, and, perhaps above all, scrutiny members can be better informed in judging that. Secondly, it is essential to inform the public about what is happening and to engage its interest and expectations. You cannot do that if, as is the case in England at present, you are required to publish data in paid newspapers that run to several pages. I do not recall any such publication being sold out on the day of publication because people are desperate to see how their council is doing on 200 performance indicators. It has to be made more meaningful. You are right that there is a sense in which performance management is a significant issue. There is perhaps a little reluctance to compare. We need comparison, but not in the sense of a blame culture.

[251] **Michael German:** You have already alluded to this, but I am just trying to seek from you how you will balance your sticks and your carrots, given that you are going to propose changes and look at what might be needed in the future. You have talked about incentivisation and prescription, and you are leaning towards incentivisation. Can you give me a slight indication as to whether you feel that there needs to be a range of sticks available, as well as the carrots that you are going to propose?

[252] **Sir Jeremy Beecham:** Yes, I do, and at different levels. We have talked about the ultimate fallback position in the event of significant service failure in significant areas of service delivery, whether that is in the health service or other services. On a national level, the Child Support Agency is a walking disaster area and needs to be sorted out. There will be lesser things, in some ways, to deal with here.

12.10 p.m.

[253] It also applies at the level of the individual citizen. One thought that I have had, which, it is fair to say, I have only barely shared with my colleagues, is the need for redress for the individual citizen in the event of service failure. That redress might take a variety of forms. It might be, as has been mooted in the health service, a quicker and more transparent way of dealing with complaints and problems, and an early admission that things had gone wrong and an explanation. It might take the form of financial or some other form of compensation for service failure in a local authority or another agency. I think that redress is a useful adjunct to the more systemic system of incentives and interventions that might be applied, and it would help to empower the citizen user.

[254] **Michael German:** That was very helpful. Finally, we have talked about co-operation, collaboration and the sub-regional agenda and I have two sub-questions on that. First, have you found a willingness, among the people to whom you have talked so far, to engage with others beyond their boundaries, as it were, however you want to describe them? Secondly, do you feel that regional boundaries that our spatial plan describes as ‘fuzzy’—in other words they relate to whichever service you are looking at, therefore there are different levels and an overlay of

different geographical boundaries—would be a sensible approach, or do you think that it would make life much easier if everything that you were trying to work on together was contained in a defined sub-region?

[255] **Sir Jeremy Beecham:** It would be, although it may not be possible to achieve that. I notice that Carmarthenshire is like Gaul, and divided into three. There are various levels; it is a sort of palimpsest of different organisational structures. The WLGA is looking to a four-region approach and the spatial plan has six regions—you know the figures better than I do. It is one of the complications that exist.

[256] I was very interested—I think that we all were—in two developments that we have heard about. One was the Heads of the Valleys partnership, which is dealing, very much in a sub-regional context, with particular problems of economic regeneration and deprivation in significant parts of those communities. That localised approach seems to us to be innovative and useful. The second, more recent development is the coming together of 10 south-east Wales authorities; quite where that is going remains to be seen, but, again, that looks to be encouraging.

[257] There are issues that can be confined to a regional or sub-regional context, but others are, frankly, national. Going back to social care and social services, the lack of specialist accommodation for children, for example, probably has to be addressed on a national basis because there is a relatively small number and you cannot deal with that on a sub-regional basis. However, you can deal with other things on that basis. It would be much tidier if we could come down to three, four, six, or whatever the figure would be, but that may not be possible. In that case, you just have to develop collaborative mechanisms that work.

[258] Coming back to the kind of framework that we were talking about—local area agreements and local public service boards—these do not just have to be bilateral, with one authority and the Assembly Government and its partners; you can have joint area agreements. In England, we are looking at a city-regional approach, around the bigger cities in particular, and it may lead to precisely that type of arrangement for strategic issues such as transport or waste. That is highly relevant in Wales as well. So you can scale-up the area agreement concept to the size that is required to deal with those larger issues.

[259] **Ann Jones:** Does anyone else have any points that they wish to raise? I see that they do not. Thank you, Sir Jeremy, for coming along and discussing those issues with us and thank you for sharing, so openly, your views on the way forward. What will happen now is that, together with the transcript of this meeting and the relevant points from the two committee reports—the modernisation of local government, or the new political structures in local government, and the regulation inspection of public services in Wales—we will be looking to produce a report that will be our formal response to your inquiry. We will circulate that to Members, in the usual fashion, outside committee for approval to be signed-off. That is the way forward, if Members can agree on that. Thank you for attending—we appreciate it.

12.15 p.m.

Cofnodion y Cyfarfod Blaenorol Minutes of the Previous Meeting

[260] **Ann Jones:** On the minutes, I beg the committee's indulgence. Having looked at the transcript of the last committee meeting—I do read the verbatim transcript, to check whether I have said anything silly—I had intended, under item 4, on the spatial plan, to tell committee, but we ran out of time, that I had participated as Chair of the Local Government and Public Services Committee in the north-east Wales/north-west England and Cheshire cross-border working party. The consultation document is now available. I am sure that Members from

north-east Wales and the eastern part of our country will look at how it affects the Wales spatial plan. I need to put that in the Record of Proceedings so that Members are aware that I undertook that function as Chair of the Local Government and Public Services Committee, and also given that I represent what I now call a central north Wales constituency. We have views that we wish to feed into north-east and north-west Wales to get the maximum effect for north Wales. I just wanted to put that into the Record of Proceedings.

[261] That concludes our meeting. Our next meeting will be in the new committee rooms on 2 March.

Daeth y cyfarfod i ben am 12.17 p.m.
The meeting ended at 12.17 p.m.