



Briefing 16 - 29

July 2016

Plans to reduce the number of Welsh Local Authorities postponed.

This briefing aims to inform members about changes to the original plans for local government re-organisation in Wales as proposed in the Williams Report of 2013.

## Key issues

- The briefing note considers the change in approach to Welsh local Government re-organisation following the Welsh Assembly election results in May 2016
- Considerations about how to go forwards and the importance of adopting closer partnership working across regions
- The decision to continue to retain local election voting cycles and current boundaries across local government
- Opportunities and alternatives to large-scale local government re-organisation.

## Overview

The Williams Report proposed major re-organisation of local government in Wales, including the suggestion that the current 22 local authorities should be reduced from 22 to 8 or 9. Creating shared service delivery was also a major element, arguing this would reduce administrative and management costs significantly.

However despite significant pressure to adopt this large scale re-organisation there was little support from the local authorities themselves. They argued that significant savings were already being delivered through voluntary joint working initiatives such as the Capital Region City Deal, Swansea Bay Region,

North Wales Economic Ambition Board, Mersey-Dee Alliance and service specific joint working projects such as Prosiect Gwyrdd. This impetus for large-scale re-organisation has been halted for the moment with the results of the recent Assembly elections in May 2016.

There has been considerable concern about what the future of re-organisation for Welsh local government will be, with the WLGA stating

***“The re-organisation of local government structures is no longer a sustainable option given the ongoing austerity. We need to move forward quickly, to reconfigure public services on the basis of the partnerships and regional collaborative models which local government has developed over the last few year”***

With the appointment of Mark Drakeford the new Cabinet Secretary for Finance and Local Government, there has been a change of approach. Out has gone the top-down imposition for change, to be replaced by a *“wider sort of conversation”* about local government’s future in Wales.

Quite clearly the proposal to cut the number of Welsh councils is being re-considered. Mark Drakeford has now said that he is *“not committed to any particular solution”*

*“People are very willing to agree that there are challenges facing local government that have to be faced up to and have to be solved. Lines on a map is part of it, but only part of it.”*

Bob Wellington, Leader of the WLGA has said, *“The map is gone, let’s now join together again and look for new solutions*

Mark Drakeford has further said he wants a new plan ready by Autumn. To achieve this he is entering into conversations with various organisations including the WLGA and Council Leaders. It is now acknowledged that many of the potential savings which it was said would be achieved by re-organising are already being achieved through voluntary joint working arrangements. Councils now need to concentrate on furthering such achievements through service transformation, working more innovatively across borders and regions and adopting a more entrepreneurial approach to income generation to help combat the austerity measures local authorities are currently facing.

Partnerships are seen as the way forwards, with local authorities coming together at the regional level. Many of the partnerships previously mentioned are now well established and have the potential to offer significant benefits to the people of Wales without the need for the hundreds of millions of pounds which was the estimated cost of large scale local government re-organisation.

Many of these partnerships would have benefits far beyond their local areas, the Cardiff City Deal was highlighted by Stephen Crabb Secretary of State for Wales, as having the potential to *“deliver economic and civic improvements that could benefit virtually half the population of Wales”*

The intention to re-consider local government re-organisation in Wales, has been further emphasised in a written statement by the Welsh Government dated 23rd June 2016. In this statement, Mark Drakeford, Cabinet Secretary for Finance and Local Government, has confirmed that elections to the Welsh Assembly which are carried out on a five year cycle will be replicated at a local level and in the next round of local elections, which will take place in May 2017, any successful candidate will hold office until May 2022.

The decision that councillors will be elected for a full term also means that the Local Democracy and Boundary Commission will return to its normal ten-year cycle of reviews of electoral arrangements, which will mean boundaries are unlikely to be changed in the foreseeable future, or at the very least before 2022.

Local authorities must now look for opportunities to suggest new ways forwards regarding local government reform and work in partnership with other organisations to advise Welsh Government on practical and workable solutions which will not only improve service efficiency and financial viability but also make a difference to the people of Wales.

#### APSE Comment

APSE has been a strong advocate of partnership working between local authorities as the way forwards in Wales and across the UK in general.

The scale of a local authority area does matter in service delivery terms. Loss of local knowledge, expertise, and a workable geographic area for service delivery, would create challenges and service changes which were not guaranteed to make the projected savings. Furthermore APSE has had an over-arching concern that at a time when local authorities are faced with ongoing budget cuts, without closer scrutiny and detailed analysis of introducing new ways of working, and assessing the feasibility of delivering efficiencies to cope with these challenges, then this could undermine everything local authorities have achieved to date.

Recent research carried out by APSE will show that reducing the current number of local authorities, to create larger local authorities in the name of efficiencies, has not always been borne out as the most practical way to make savings, and certainly public dis-engagement has often been a by-

product. It is intended to publish this data in July 2016 in order that it can be used to help deliberations about any future local government re-organisation in Wales

Finally APSE believes a more mature and manageable approach to public service reform lies within collaboration, innovation and municipal entrepreneurialism; themes set out in APSE's Ensuring Council research. Hopefully read in tandem with the new research mentioned earlier, this information will help inform the future debate.

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