



Report of the Deputy Chief Executive

Scrutiny Performance Panel – Service Improvement & Finance
20th September 2021

Peer Review & Self-Assessment (Local Government and Elections (Wales) Act 2021)

Purpose:	The report presents a brief overview of the performance and governance requirements as described in Part 6 of the Local Government & Elections (Wales) Act 2021 and preparations underway to meet these requirements.
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For Information	

1. Background

- 1.1 The essence of the Part 6 Performance and Governance provisions of the Local Government & Elections (Wales) Act 2021 is to see local Council's as "self-improving organisations through a system based on self-assessment and panel performance assessment".

2. Statutory Duties

- 2.1 The Part 6 provisions impose five new duties on local authorities in Wales as follows:
- 2.2 **Duty to keep performance under review** – the extent to which a local authority is:
- exercising its functions effectively....how well are we doing things?
 - *using its resources economically, efficiently and effectively*....providing value for money, and;

- *governing effectively for securing the above....how well run are we?*

2.3 **Duty to consult on performance** - once every year....the extent to which a local authority is meeting the performance requirements. As a minimum:

- Local people.
- Local businesses.
- Staff.
- Trade unions.

2.4 **Duty to report on performance** - once every year....a Self-Assessment Report concluding the extent to which the Council met the performance requirements:

- How well are we doing?
- How do we know?
- What and how can we do better?

2.4.1 The Self-assessment should:

- be a continuous and not a fixed process;
- integrated into performance, planning & governance arrangements;
- be a corporate not service based assessment;
- focus on outcomes;
- be evidence based;
- be honest, transparent and objective;
- owned and led at a strategic level;
- involve staff and Members from all levels;
- involve scrutiny in the process;
- identify areas for improvement / action and help inform planning.

2.4.2 The council must make a draft of its self-assessment report available to its Governance & Audit Committee.

2.5 **Duty to arrange a panel performance assessment** – at least once during an electoral cycle, the Council must arrange for a panel to undertake an assessment on the extent to which the Council is meeting the performance requirements.

2.5.1 The panel must provide a sector-led, external view of performance and must be independent and impartial.

2.5.2 The panel are not responsible for holding the council to account but should offer an external view of how the council is operating.

2.5.3 In reaching its conclusions, the panel must consult:

- Local people.

- Local Businesses.
- Staff.
- Trade unions.

2.5.4 The Council is responsible arranging and supporting the panel and meeting associated costs.

2.5.5 It would be expected that any assessment panel commissioned by the Council should include as a minimum:-

- An independent panel chair – not currently serving in an official or political capacity within local government.
- A peer from the wider public, private or voluntary sectors.
- A serving local government senior officer, likely to be equivalent to chief executive or director, from outside the council to be assessed.
- A senior elected member, from outside the council to be assessed.

2.5.6 The council may choose to appoint other additional members of the panel as they see fit.

2.6 **Duty to respond to a panel performance assessment report** – The Council must **prepare a response** setting out:

- The extent to which it accepts the Panel's conclusions.
- The extent to which it intends to follow the Panel's recommendations.
- Actions the Council intends to take to increase the extent to which it is meeting the performance requirements.

3. Relationship to the Well-being of Future Generations Act

3.1 within which the Council should be exercising its functions, using its resources and ensuring its governance is effective, with the aim of maximising its contribution to the wellbeing goals and without compromising the needs of current and future generations.

4. WLGA Support

4.1 WLGA will offer assistance with the organisation and recruitment of the Performance Panel based on their tried and tested corporate peer challenge concept. Swansea last had a peer review under this arrangement in 2014.

5. Audit Wales

5.1 Audit Wales do not have a duty to audit the Council's Self-assessment / Report. They will however review that the Council is putting sufficient arrangements in place to discharge its performance duties.

- 5.2 Audit Wales will also consider how the Council is going about discharging its self-assessment duties and the evidence. Audit Wales will use the Self-assessment report as part of their work to determine whether or not the Council has proper arrangements in place to deliver value for money.

6. Preparations

- 6.1 The following preparations have been / are being undertaken for the implementation of Part 6:

- 6.1.1 ***Raising awareness and understanding of Part 6 of the Act***...reports / presentations to CMT, Leadership Team, Cabinet, Scrutiny and Governance & Audit Committee.
- 6.1.2 ***Review best practice on self-assessment***...some information on existing and emerging approaches has already been shared via WLGA.
- 6.1.3 ***Established a Self-assessment Steering Group and terms of reference***...to oversee preparations and the self-assessment.
- 6.1.4 ***Establish an approach to corporate self-assessment***...an initial approach has been developed that integrates self-assessment within the performance monitoring process and the activity to develop the Annual Governance Statement. This integrated process will be used to produce three distinct but related products: the Annual Self-Assessment Report, the Annual Governance Statement and the Annual Well-being Report.

7. Timetable

- 7.1 The following timetable illustrates the key dates for developing the Self-Assessment Report (and associated products – the Annual Governance Statement and Annual Well-being Report):

- Mid-Year (Q2) Self-assessment and assurance – October to December 2021.
- Consultation – January to March 2022
- Final Year (EoY) Self-assessment and assurance – January to May 2022
- Desktop based analysis and evaluation – April to June 2022
- Analysis, production and publication – April to October 2022.

8. Integrated Assessment Implications

- 8.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

8.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

8.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

8.1.3 This report is a high level 'for information' briefing on the performance and governance requirements as described in Part 6 of the Local Government & Elections (Wales) Act 2021 and preparations underway to meet these requirements. The report does not report on the implementation of these requirements and so is not relevant for screening for an IIA.

9. Legal Implications

9.1 There are no legal implications.

10. Financial Implications

10.1 There are no financial implications.

Background papers: None

Appendices: None.