

### Inquiry into Progress with local government collaboration

1. In October 2011, my report *A Picture of Public Services 2011*, included a commentary on issues relating to the local government collaboration agenda. The Committee may find it helpful to refer back to that report as a baseline. Set in the context of the financial challenges facing Welsh public services, the report found that councils were responding to increasing pressure to collaborate but that there were concerns about governance and accountability and uncertainty about the financial and service benefits.  
[http://www.wao.gov.uk/assets/englishdocuments/Picture\\_of\\_public\\_services\\_2011\\_English.pdf](http://www.wao.gov.uk/assets/englishdocuments/Picture_of_public_services_2011_English.pdf)
2. As I have set out recently to the Commission on Public Service Governance and Delivery, while I have some discretionary power to undertake studies in local government, the 2009 Local Government (Wales) Measure also prescriptively imposes certain duties on me, setting out what I can look at and how and when I should report on local government performance. For central government and the NHS, I have discretion to carry out examinations of the economy, efficiency and effectiveness of the use of public money and it is a matter of regret that, due to Assembly legislative competency issues, the 2013 Public Audit (Wales) Act was not able to provide an opportunity to bring consistency to the audit work that I carry out, and thereby enhance my ability to conduct reviews of collaborative work that crosses sectoral boundaries.
3. On 26 September, I am planning to publish a summary report on *Local Improvement Planning and Reporting*. That report will note that Section 9 of the Measure provides authorities with the power to collaborate, and section 12 requires authorities to consider whether such collaboration would assist in the discharge of their improvement duties. If so, they must seek to exercise that power. The supporting guidance states that ‘an authority which does not make full and proper use of collaboration will thus probably not have discharged its general duty adequately, even if it is meeting most of its improvement objectives and its own services are performing relatively well’.
4. My report will note that this requirement to ‘seek’ to collaborate is open to very wide interpretation as is the reference to ‘full and proper use of collaboration’. I share the concern of some authorities at the potential for confusion and uncertainty in this wording and consider that it hinders my own ability to conclude effectively on whether authorities have discharged their general duty adequately. Indeed, there is an inherent tension between an authority pursuing with others collaboration that has the potential of delivering net benefits to the public and that individual authority foregoing improvements that could have been made by not collaborating or taking on additional risk. Despite this, we have seen significant

evidence of collaboration being attempted with various degrees of commitment and apparent success.

5. As our Picture of Public Services 2011 report says, and as I emphasised in my submission to the Commission on Public Service Governance and Delivery, in order to collectively improve outcomes for citizens, there is a clear case for different sectors that serve the same population to work together. In practice, the number of bodies involved can make such collaboration complex. For Health Boards, developing effective strategic and operational relationships with several councils in their area inevitably takes time and effort. A good example is the Gwent Frailty Project, which has been cited as an example of good practice since around 2007. Our local Improvement Assessment reports for councils in the area show that the project has taken the necessary time to put in place good management arrangements. The project is now at the stage of showing the necessary changes in behaviour and culture to deliver improved performance in some areas. There are also challenges to ensure that financial constraints in individual agencies do not compromise the wider aims of the project.
6. However, the case for collaboration within sectors – between bodies that deliver the same services to different populations – is more nuanced and depends on a balance of benefits versus costs and risks. While such collaborations are inherently difficult due to the different accountabilities involved, existing examples in areas like waste management and transport show that these challenges are not insurmountable. Nonetheless, such collaboration does take time and effort to reach fruition. I note the considerable amount of time it has taken to simply get to the stage of producing business cases for collaboration under the Simpson review.
7. On the Simpson agenda, the Committee may in addition wish to refer to extracts from my December 2012 report on *Civil Emergencies in Wales* and to evidence that was submitted to the Public Accounts Committee as part of its inquiry on the same topic, the findings of which were reported in June 2013.  
[http://www.wao.gov.uk/assets/englishdocuments/270A2012\\_Civil\\_Emergencies\\_English.pdf](http://www.wao.gov.uk/assets/englishdocuments/270A2012_Civil_Emergencies_English.pdf)  
  
<http://www.senedd.assemblywales.org/documents/s18859/Civil%20Emergencies%20in%20Wales%20-%20July%202013.pdf>