

Agenda – Equality, Local Government and Communities Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date: 9 January 2020

Meeting time: 09.00

For further information contact:

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Private pre meeting

(08.45–09.00)

1 Introductions, apologies, substitutions and declarations of interest

(09.00)

2 Scrutiny of the Welsh Government Draft Budget 2020–21: evidence session 1

(09.00–11.00)

(Pages 1 – 104)

Julie James AM, Minister for Housing and Local Government

Hannah Blythyn AM, Deputy Minister for Housing and Local Government

John Howells, Director of Housing and Regeneration, Welsh Government

Reg Kilpatrick, Director – Local Government, Welsh Government

3 Scrutiny of the Welsh Government Draft Budget 2020–21: evidence session 2

(11.00–11.45)

(Pages 105 – 111)

Jane Hutt AM, Deputy Minister and Chief Whip

Gary Haggaty, Deputy Director Community Safety Division, Welsh

Government

Alyson Francis, Deputy Director, Communities Division, Welsh Government



4 Papers to note

(11.45–11.50)

- 4.1 Correspondence from the Minister for Housing and Local Government regarding the Representation of the People (Annual Canvass) (Amendment) (Wales) Regulations 2020 – 10 December 2019**

(Pages 112 – 113)

- 4.2 Correspondence to the Deputy Minister for Housing and Local Government regarding the benefits in Wales report response – 16 December 2019**

(Pages 114 – 116)

- 4.3 Correspondence from the Chair of the Public Accounts Committee to Tracey Burke, Director General of the Education and Public Services Group, Welsh Government regarding Financial Management and Governance in Community Councils – 17 December 2019**

(Pages 117 – 119)

- 4.4 Correspondence from the Chair of the Climate Change, Environment and Rural Affairs Committee regarding their inquiry into fuel poverty – 18 December 2019**

(Pages 120 – 121)

- 4.5 Correspondence from the Minister for Housing and Local Government in response to the Committee's request for additional information following the meeting on 27 November – 19 December 2019**

(Pages 122 – 130)

- 4.6 Correspondence to the Minister for Housing and Local Government requesting additional information on fire safety following the meeting on 5 December – 20 December 2019**

(Pages 131 – 135)

- 5 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from items 6 and 10 of today's meeting**

(11.50)

**6 Scrutiny of the Welsh Government Draft Budget 2020–21:
consideration of evidence**

(11.50–12.30)

Break

(12.30–13.00)

7 Local Government and Elections (Wales) Bill: evidence session 6

(13.00–13.45)

(Pages 136 – 172)

Ceri Stradling, Deputy Chair, Local Democracy and Boundary Commission for Wales

Shereen Williams, Chief Executive, Local Democracy and Boundary Commission for Wales

8 Local Government and Elections (Wales) Bill: evidence session 7

(13.45–14.30)

(Pages 173 – 177)

Dominic MacAskill, Regional Manager, UNISON Wales

Amber Courtney, Information Development Organiser UNISON Wales

Mike Payne, GMB Senior Organiser

9 Local Government and Elections (Wales) Bill: evidence session 8

(14.30–15.15)

(Pages 178 – 186)

Sally Chapman, Deputy Chief Officer and Monitoring Officer, South Wales Fire and Rescue Authority

Councillor Jan Curtice, Chair, Mid and West Wales Fire and Rescue Authority

Dave Daycock, Clerk and Monitoring Officer, Mid and West Wales Fire and Rescue Authority

**10 Local Government and Elections (Wales) Bill: consideration of
evidence**

(15.15–15.30)

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Date: 9 January 2020

Time: 9.00 – 11.00 Minister and Deputy Minister for Housing and Local Government

11.00 – 11.45 Deputy Minister and Chief Whip

Title: Draft Budget Scrutiny 2020-21

Introduction

The Draft Budget includes spending plans for 2020-21. This paper provides evidence to the Committee on the future programme budget proposals in relation to Local Government, Communities, Equalities and Housing and Regeneration as outlined in the Draft Budget which was laid on 16 December 2019.

Annex A provides a breakdown of the relevant Draft Budget figures for the Housing and Local Government Main Expenditure Group (MEG) and extracts from the Central Services and Administration MEG in relation to equalities by Spending Programme Area, Action and Budget Expenditure Line (BEL).

Financial Tables

The specific elements for the Equality, Local Government and Communities Committee are Local Government, Communities, Equality, Housing, Regeneration and Community Safety. The budgets for those elements are summarised in the tables below.

	2019-20 First Supp. Budget £000	Change £000	2020-21 Draft Budget £000
Revenue	3,804,131	128,363	3,932,494
Non Cash	200	0	200
Total Resource	3,804,331	128,363	3,932,694

	2020-21 Indicative Budget £000	Change £000	2020-21 Draft Budget £000
Traditional capital	476,139	94,272	570,411
Financial transactions	43,505	108,000	151,505
Total Capital	519,644	202,272	721,916

Budget Overview

This is the fourth budget of the Fifth Assembly. This budget was prepared following the UK Government's one year Spending Round and not following a Spending Review as had originally been anticipated.

Despite being able to set revenue and capital plans for one year only, they reflect this Government's continued commitment to protect public services; provide the financial stability needed and invest in Wales to nurture economic growth and support our priorities. The continuing pressure on public finances and, more specifically, on the level of funding available means we are under no illusions about the challenges we and partners face and we, and they, continue to make hard choices.

The budget setting process for 2020-21 has focussed on eight cross-cutting themes as agreed by Cabinet which are Housing, Employability & Skills, Early Years, Better Mental Health, Social Care, Poverty, Biodiversity and Decarbonisation. The budget process provided an opportunity to push forward Cabinet's combined efforts to maximise the use of our resources to improve outcomes in the cross-cutting priority areas and evidence on priorities in these areas has driven spending on local government, housing and equalities.

These budget proposals also reflect our continuing commitment to protect and prioritise investment that supports preventative measures as far as possible. In making spending decisions we have not only considered how best to meet the current demand for services but we have also focused on supporting interventions that are able to prevent problems arising in the future. This preventative approach is an important part of our planning for public services.

The decision for the UK to leave the European Union has caused uncertainty. The Welsh Government established a specific team to coordinate the work arising from European Transition; this team is working closely with the existing team in Brussels and policy departments.

The Welsh Government established a £50m EU Transition Fund to help businesses, the third sector, and public services plan and prepare for Brexit. This builds on £5m allocated for Brexit preparedness over 2018-19 and 2019-20 as part of the two-year Budget agreement with Plaid Cymru. The EU Transition Fund has been designed in collaboration with the organisations and businesses it is intended to help.

Local Government

Revenue budgets within the Housing and Local Government MEG were baselined at the first supplementary budget 2019-20. The Housing and Local Government MEG received specific allocations to provide an improved settlement for local government, as well as a general revenue uplift of £4m to be utilised across the MEG. The general revenue uplift was used to provide additional funding to support the transformation of local government, to provide much needed support in the area of building safety and to provide an uplift to National Parks revenue funding to return funding to its 2018-19 level.

Indicative capital budgets for 2020-21 were published as part of the 2019-20 draft budget, a general capital uplift of £15m was provided to the MEG which has been allocated for local authorities.

Local Government Revenue Settlement

The Welsh Government and local authorities agree that strong local government is essential to the effective delivery of good quality, integrated public services to communities across Wales. We recognise that the strength of the Welsh Government and local government is the democratic accountability which reflects the needs, aspirations and cultures of Wales. We also need effective, successful organisations which are fit-for-purpose and representative of the communities they serve.

Local Government revenue funding has increased by £198.013m which includes a £125.282m increase to the Revenue Support Grant, transfers in of previous specific grants of £1.481m and a 95% share, £71.25m, of an increase of £75m in the non-domestic rates distributable amount (the remaining 5% supports police funding). On a like for like basis compared to 2019-20 this is a £184m increase to the local government settlement.

Prolonged austerity has inevitably had a substantial impact on the resources available to public services and we recognise the very difficult decisions that local authorities have had to make in order to maintain critical services with reducing real terms budgets. Local authorities in Wales have managed those tough choices in reducing expenditure and generating efficiencies so as to maintain the quality of key services and balancing local choices on the levels of council tax increases.

We supported local authorities as part of the draft and final and first supplementary 2019-20 budgets with a package of additional specific grants to complement the revenue support grant. This included funding to meet the costs imposed by the UK Government through the technical changes they have made to several public sector pension schemes which particularly impacted teacher's pension schemes. We supported local authorities with 100% of the costs despite only receiving an 85% contribution from the UK Government. We also provided specific funding to meet the UK Government decisions on teachers' pay awards prior to its devolution. Some of these funding streams are now subsumed into the revenue support grant on an ongoing basis, such as pay and pensions funding, others continue into 2020-21 as specific grants unless specifically detailed as time limited funding.

The funding provided through the Local Government Revenue Settlement including the baselined funding is unhypothecated and it is for each local authority to determine its own priorities. However, a significant factor in the Government's decision on increases to the funding for the local government revenue settlement has been the intention to recognise the impact of teachers' pay and pensions for the remainder of the current academic year, to provide funding beyond this to recognise the future impacts of teachers' pay awards which will come into effect from September 2020 and to support other services where there are also some significant pressures. Local authorities deliver many services that are of a primary or secondary preventative nature. The additional funding available to local government is part of our commitment to support them in continuing to deliver such preventative services. In making decisions on the use of this unhypothecated funding local authorities will undertake their own assessments, including those required under

equality legislation, of the impacts of their proposals on different groups and communities.

Allocation of £3m to strengthen and support local government transformation

The Local Government and Elections (Wales) Bill was introduced into the National Assembly for Wales on 18 November 2019. It is anticipated it will receive Royal Assent in mid-2020. The Transformation and Legislation Budget will, in part, be used to take forward the implementation of this legislation which will deliver a major package of reforms including: a new performance framework and sector led improvement approach, a new approach to regional working amongst local authorities and a number of measures aimed at improving the openness and transparency of principal council decision making. A full regulatory impact assessment has been completed and has been published alongside the Bill. Welsh Language, Equalities and Children's Rights Impact assessments have also been completed. These identified a number of anticipated positive impacts including:

- a more diverse, representative, transparent local government, which positively and openly involves all members of the community through the expansion of the electoral franchise, a duty on local authorities to encourage local people to participate in local government and increased flexibility for councillors through provisions such as remote attendance and updated family absence provisions.
- Reducing the voting age to include 16 year olds resulting in earlier engagement in the democratic process which could lead to a greater interest in democratic politics more generally, including standing as a candidate.

As well as supporting the implementation of the Bill, the enhanced funding is intended to support actions, including working closely with the WLGA, in the areas of workforce partnership, leadership development, digital transformation, evidence and modelling of funding reforms, decarbonisation and other transformative activities.

Children and Communities Grant

Funding for the Children and Communities Grant in 2020-21 will be maintained at 2019-20 levels. This will enable all the individual schemes within the Children and Communities Grant, including the Communities First Work Plus, Flying Start and Legacy Fund, to continue to maintain the same level of service to vulnerable individuals and communities in 2020-21. This funding is preventative in nature, it has a long term focus and supports collaborative working amongst the public and third sector.

The Children and Communities Grant seeks to address the support needs of the most vulnerable children and adults in our communities through a range of early intervention, prevention and support mechanisms. It seeks to mitigate or remove disadvantage to vulnerable people to enable them to have the same life chances as others, and therefore contribute to a more equal Wales. The development of the Flexible Funding approach has been done with close involvement of local authorities, working collaboratively with each other and the Welsh Government.

Funding Alignment provides greater freedom and flexibility to local authorities to deliver public services which benefit from grant funding in a more collaborative and integrated way. Local authorities are able to consider new ways to jointly commission services, and to better align and design services to meet the needs of people in their areas. Some local authorities are starting to tie the Well-being Goals in their Outcomes

Frameworks to their Corporate Priorities and Social Services and Wellbeing Act outcomes.

Allocation of £15m to Local Government General Capital

The Local Government General Capital Fund is a key source of funding, alongside borrowing and significant specific grants for investment in local infrastructure. A three-year additional general capital funding package of £100m was announced alongside the 2019-20 final budget with £50m allocated for 2018-19, £30m for 2019-20 and £20m for 2020-21. This additional £15m takes additional funding for 2020-21 to £35m. This helps smooth the funding profile and supports stable capital programme planning. The additional funding, although modest, allows the acceleration of some capital plans or facilitates lower borrowing by local authorities, which has a positive effect on authorities' revenue position by reducing servicing costs.

Total local government general capital funding for 2020-21 will therefore be £197.8m (made up of £109m general capital grant and £88.8m unhyponthecated supported borrowing).

General capital funding is used by local authorities to support their contribution to the 21st Century Schools Programme; local roads networks and services such as housing, development and social services as well as essential capital maintenance works across local government estates. The funding is unhyponthecated and local authorities are responsible for utilising it in the most effective and efficient way for their local area. Decarbonisation will need to be an increasingly important factor in decision making.

Funding can support the local economy through local procurement of contracts and while local authorities are responsible for their contracts Welsh Government have been working with them through the Code of Practice on Ethical Employment in Supply Chains and the "Two Tier" Code to remove unfair working practices and secure other benefits.

Local authorities are key partners in the Wales Biodiversity Partnership, which brings together key players from the public, private and voluntary sectors to promote and monitor biodiversity and ecosystem action in Wales. Its Implementation Group provides the overall direction of activity for the Nature Recovery Action Plan for Wales which provides a focus for delivering the sustainable management of natural resources at the local level as well as contributing to many of the Well-being of Future Generations goals. Each local authority has a biodiversity plan which should be considered as part of any capital planning.

Well-being of Future Generations Act

The Well-being of Future Generations Act drives how Welsh Government, local government and other public bodies in Wales make decisions. Local authorities are required to set and publish well-being objectives to show how they will work to achieve all seven of the well-being goals for Wales. As a Government we understand that essential services through local government from social care to

education, advice and support or active travel deliver the wider health and wellbeing of people in Wales.

Local authorities tell us that the areas where they are facing the greatest pressures are education and social care. The additional £198.013m of funding flowing through the settlement will be a significant contribution to respond to those pressures. This source of funding is unhypothecated; local government is best placed to understand local needs and deliver services in the most efficient and effective way.

While the majority of funding from the Welsh Government to local government goes through the local government settlement – some £4.5billion – there is also a significant amount of specific grant funding, around £1bn supporting local services. Local authorities also have further streams of funding through their council tax raising powers and through local fees and charges.

With financial pressures in education and social care highlighted, the increased settlement, and continuing specific grant funding, is expected to particularly support the goals of a Prosperous Wales and a More Equal Wales through developing a well-educated population where everyone can fulfil their potential whatever their background; and a Healthier Wales where a person's social care enables them to participate in society and maximise their physical and mental well-being.

Over the past year the way that we work with local government through the Finance Sub Group of the Partnership Council for Wales has evolved with additional meetings held to increase communication with local government leaders and Ministers from across Welsh Government attending to discuss policy areas with local government leaders and the WLGA. This more collaborative approach has been welcomed by local government leaders and ministers.

Spending on preventative actions

Local authorities are of course a key deliverer of preventative services, for example through schools education giving children and young people the opportunity to thrive and meet their potential, to social and other services that ensure that people are able to be part of their communities, which can reduce the call on other public services such as the NHS. We recognise the challenges that local authorities face with increasing demand for reactive services putting pressure on preventative services. By working together between authorities, with Welsh Government, through Public Service Boards and other collaborative approaches authorities and other partners explore the best way of delivering services to make the best use of every pound that we have.

Fire and Rescue Authorities (FRAs) derive the great majority of their budgets from local authorities rather than directly from the Welsh Government. However, we provide an additional £848,000 revenue and £670,000 capital to augment their work on fire safety and prevention. This focuses in particular on preventing dwelling fires and deliberately-set fires, and has contributed to the sustained decline in fire across Wales in recent years.

How evidence is driving Welsh Government priority setting and budget allocations

Local authorities are responsible for carrying out their own impact assessments as part of their decisions on local budgets. The WLGA and local government generally have provided evidence to Committee and to Welsh Government which has focussed on the significant pressures in education social care, from workforce costs and from high cost interventions.

By providing additional funding we anticipate that it will primarily be used in these areas reflecting some of the specific pressures local authorities face. Additional funding in education will mean that schools services can be maintained and teachers supported to deliver against our national mission for education. Without this additional funding in support of those and other pressures local authorities would be faced with the need to reduce services or raise income from other sources. It is expected that the biggest impact could fall on those children and young people who have the lowest educational outcomes – those from lower income families and certain ethnic minorities. The Well-being of Wales report 2019 shows that qualification levels amongst the population levels continue to increase, although there remain large differences in attainment at school for different population groups. Skills and qualifications are the biggest single influence on people's chance of being in employment and on their incomes. Children from deprived backgrounds continue to have poorer outcomes than other groups. The "capped nine points score" is the national indicator on secondary school performance. The score for pupils who are eligible for free school meals was 77.4 points lower than the score for other pupils. This is equivalent to almost two fewer GCSEs at grade C on average per pupil. From a gender point of view girls continue to achieve better educational outcomes than boys; in 2019 the gap for those achieving the Level 2 inclusive threshold at Key Stage 4 fell to 10.1 percentage points. Latest data continues to show some differences in educational attainment between ethnic groups, with a higher proportion of children from Asian, Chinese and mixed ethnicities reaching expected levels of attainment than those from a White background. Educational attainment remains low for gypsy traveller children.

Funding will also support social care services, where demand is increasing and local authorities are seeking to modernise and transform services. Local authorities have cited in particular the increased demands in children's services. Increased funding will support disabled children and young people recognising their diversity, supporting their independence and choices, providing empowerment and respecting their rights. In the area of older people's social care it supports those on lower incomes and also those coping with physical and mental difficulties that can be faced as citizens age. The Wellbeing of Wales report says recent analysis (based on 2015-2017) shows that the gap in healthy life expectancy between the most and least deprived has remained stable – but is 18.1 years for men and 19.4 years for women.

Expenditure on local authority services has been shown to be particularly important in supporting women. The Women's Budget Group commissioned UK research¹ shows women have been disproportionately impacted by changes to taxes, benefits and public spending, with BAME women and disabled women hardest hit. The Equality and Human Rights Commission and Landman economics also published research in 2018 - "The cumulative impact of tax and welfare reforms". The analysis shows that the reforms have a disproportionately negative impact on several protected groups, including disabled people, certain ethnic groups, and women. Women are more likely than men

¹ <https://wbg.org.uk/analysis/women-and-the-spending-review/>

to need public services, more likely to work in the public sector and more likely to have to increase their unpaid work when services are cut. Many of the services provided by local government are disproportionately provided by women and to women and children, including social care, transport and housing, directly for themselves or indirectly for others for whom they care. These services are vital in affording women the opportunity to participate fully in the economy.

Housing and Regeneration

With MEG allocations maintained at their 2019-20 levels (first supplementary budget stage), we have been able to stabilise key budgets at the 2019-20 position, including homelessness budgets and the Housing Support Grant. We have also provided an additional allocation of £0.5m to support the important work underway to improve building safety.

Indicative capital budgets for 2020-21 were published as part of the 2019-20 draft budget. Additional general and financial transactions capital allocations have been made to build on this baseline.

Housing is a priority area in Prosperity for All. The document recognises that *“living well is a good quality, affordable home which brings a wide range of benefits to health, learning and prosperity.”* The Welsh Government is committed to increasing the supply of affordable housing, having set affordable housing targets in both this and the previous government (currently 20,000). The Welsh Government supports the supply of affordable housing through its Social Housing Grant, Housing Finance Grant and Innovative Housing Programme which deliver both social and intermediate housing. We are committed to increasing the supply of affordable housing especially social housing to minimise the pressures on local authority budgets and on homelessness services including hostels and bed and breakfast accommodation.

Investment in housing also provides support to the Welsh economy in terms of maintaining and supporting jobs in the construction industry and the associated supply chain. This contributes to the tackling poverty agenda in terms of providing employment and training opportunities. We are also committed to ensuring that housing organisations maximise the community benefits generated from their procurement as part of our wider commitment towards ensuring the maximum local impact from our investment across Wales.

Jobs created by housing development lift many of the unemployed construction workforce into employment with all the benefits that brings as well as reducing benefit expenditure and boosting opportunities for apprenticeships and training.

The funding works towards the seven well-being goals and Welsh Government’s well-being objectives. Specifically, decent and affordable housing can help achieve more equal, prosperous, healthier and more cohesive communities, contributing towards a healthy and more equal Wales. This is demonstrated by the clear health benefits of having a good quality home which is affordable and located in a safe environment. Investing public money in building and refurbishing homes contributes to national and local economies, creating and supporting jobs and training opportunities as well as improving people’s health, wellbeing and quality of life. £1

spent on adaptations prior to hospital discharge is estimated to generate £7.50 of cost savings for health and social care.

Grant funded affordable housing is built to Welsh Government Development Quality Requirements (DQR) which includes building to lifetime homes standards. Homes built to these standards are more readily adapted to allow older and vulnerable tenants to remain in their homes for longer. Investing in existing and new housing with improved energy efficiency will help reduce fuel poverty and reliance on benefits. Every £1 spent on improving warmth in vulnerable households results in £4 of health benefits.

The Decarbonisation Advisory Group report published on 18 July 2019 recommends that no later than 2025, all new homes in Wales must be built to be zero carbon, energy and water efficient and climate resilient. Independent checks should be made to ensure these higher standards are delivered. This will prevent the challenge to retrofit homes becoming larger and more expensive. All homes built with public funds should meet these standards no later than 2021.

Energy efficiency is also now a feature of the Help to Buy scheme in Wales. 95% of all new build homes sold through the scheme are rated EPC B. As part of the affordability assessment for applicants, energy costs are taken into account based on the EPC rating of the house to be purchased. This has helped to raise the issue of energy efficiency with prospective applicants, as was intended by the 'LENDERS' project, which developed this methodology.

Housing Support Grant

We are pleased to have been able to maintain the Housing Support Grant in 2020-21 with a budget of £126.8m as was the case this year.

The Housing Support Grant makes an important contribution to the health and wellbeing of vulnerable people by providing the support, skills and confidence they need to stay in their own homes and so prevent homelessness or a requirement to enter an institutional setting. It delivers important health, employment and community cohesion outcomes by assisting people to a stable housing situation, addressing chaotic lifestyles and the mental health, substance misuse and offending issues that may underlie them. The grant also supports older people and those with a learning disability to maintain their independence and lives in the community.

We have worked hard to revise the arrangements for the new Housing Support Grant in a co-productive way with stakeholders. The extensive engagement this has involved has been designed to ensure that our policy integrates the role of good housing alongside health, social care, Criminal Justice and employment interventions, with clearly defined roles for all parties in joint-planning arrangements.

The Housing Support Grant continues to support a range of interventions that aim to ensure that homelessness is prevented and, where it can't be, ensure it is rare, brief and non-recurrent. The preventative nature of the grant is highlighted by the reduction it generates in the future pressures on the NHS and social care.

Over time we have built a strong evidence base to evaluate the success of the constituent grants that make up the HSG (Supporting People, Homelessness Prevention and Rent Smart Wales enforcement). For example, our work with

Swansea University's SAIL database has linked housing and health data and is beginning to show the impact which housing support can have in reducing the use of health services. The single outcomes framework we are developing to include both Housing Support Grant and Children and Community Grant outcomes will also improve our ability to align grant programmes and demonstrate value for money.

Homelessness

Prosperity for All sets out the Welsh Government's commitment to end all forms of homelessness; it has therefore been important to maintain our homelessness budget at the same level it enjoyed in 2019-20 (£17.9m).

The Homelessness Prevention Grant supports the delivery of services aimed at preventing homelessness, and where it cannot be prevented ensuring it is rare, brief and un-repeated. As such this funding can help to reduce negative impacts for individuals and households and reduce the future burden on the public purse which increasing homelessness would otherwise generate.

It funds a mixture of primary to acute activity. As set out in our strategic statement on homelessness prevention, published on 8 October 2019, currently much of the focus of activity is at the acute end. If we are to achieve our vision of ending homelessness, then our approach has to both support those currently homeless into accommodation, whilst also significantly reducing the flow of individuals and families falling into homelessness by investing more in primary, secondary and tertiary prevention. This funding will therefore support the delivery of our evolving policy approach, which is seeking to shift the focus of resources to earlier prevention so that in the long term we maintain a system in which homelessness is rare, brief and un-repeated.

Homelessness prevention is a wider public services issue and as such this funding supports a range of collaborative projects involving partners in local government, health, social services, education and crime and justice. Welsh Government has recently published a revised strategic approach to tackling homelessness and this funding is an essential component in delivering against that strategy.

Independent Living

Housing adaptations play an essential role helping older and disabled people to live independently and safely. Up-front investment in housing adaptations reduces demand on NHS and social care services through preventing the need for admission to hospital and speeding up discharge. The continuing support for Care and Repair services and housing adaptations provided through this funding is very much in line with the principles of Healthier Wales, the Well-being of Future Generations Act, and the approach set out in Prosperity for All.

A key aspect of our work in this area is to streamline the arrangements for delivering these services in order that they are better understood by individuals and families. We have, for example, published new housing adaptations service standards to promote greater consistency of services across Wales regardless of a person's tenure or where they live. We have also commissioned research to analyse current allocation arrangements. The intention is that the results will be used to inform options for simplifying funding systems and promoting more equitable access to adaptations.

Building Safety Programme

The Building Safety Programme is responding to recommendations outlined in the Building Safety Expert Group's 'Road map to safer buildings in Wales' produced in response to the Grenfell disaster. The work of the programme focuses on reforms to ensure that the safety of high rise residential buildings in Wales is improved. The evidence generated since the Grenfell disaster has only served to re-emphasise the need for action to be taken in this area. This new funding stream (£0.5m revenue in 2020-21) will allow us to make progress in responding to these issues. The funding will allow us to work with local authorities and the fire and rescue service to establish a task force that will be able to reinforce and accelerate the regulatory and enforcement work already underway.

The budget will be targeted at primary and secondary prevention, working with other public sector bodies (through regulation and enforcement) to promote and take action where necessary to minimise the risk of death and / or injury as a result of fire.

Initial work over the next 12-18 months focuses on piloting new ways of working, promoting a greater focus on building safety and policy development. Subsequently, following a white Paper it is proposed that legislative reforms are brought forward.

The initial focus of this work will target those involved in the management and regulation of high rise residential buildings (18m/ 7 storeys +), as well as those who reside in or own flats within high rise buildings.

Housing Loans

The allocation of £50m financial transaction capital enables us to provide loans at submarket rates to Registered Social Landlords to assist with funding their ambitious development plans for new social housing. If it is agreed that these loans can be made at nil interest rate over a 25 years, they could decrease the level of capital grant needed to make the social housing schemes viable mitigating some of the demands upon the existing Social Housing Grants programme.

Funding will help alleviate the pressure on the Social Housing Grant budget which encompasses grant funding made available by the Welsh Government to build new homes which helps to improve the experiences of people living in social housing in Wales.

Help to Buy Wales

Help to Buy Wales is a shared equity scheme, providing support to people who would like to own their own home but are constrained in doing so. The scheme has been running successfully since January 2014. The allocation of £35m financial transactions capital will enable the scheme to continue as planned throughout 2020-21. The scheme forms an important part of the delivery of the Welsh Government commitment to provide an additional 20,000 affordable homes during this term of government. The current phase of the scheme has a target of 6,000 homes towards the 20,000.

Building with Modular

Building more social and affordable homes is a key priority in both Prosperity for All and Taking Wales Forward; and we are pleased to be able to allocated £10m financial transactions capital towards this priority in 2020-21.

The First Minister has made a commitment to embrace Modern Methods of Construction (MMC) to realise the benefits modular building can deliver. In particular, more modular homes can eliminate fuel poverty for tenants, be built to zero/near zero carbon standards thus not adding to the decarbonisation challenge as well as providing jobs training and apprenticeships with SME modular providers in areas of Wales affected by industrial decline.

Enabling Welsh based SME modular builders to improve their cash flow management will directly impact their ability to make more affordable homes, more quickly to a high standard than relying on traditional building methods. Simply the more new homes built using thoughtful Modern Methods of Construction approaches by indigenous Welsh SMEs, the less investment will be required in future to retrofit homes as technology becomes available to decarbonise homes of all tenure in Wales. Every new home built using modular now, will prevent expensive decarbonisation retrofit of the future.

The fund is part of a mitigation in the event of an adverse effect on the economy post BREXIT. Supporting indigenous Welsh SMEs to address financial constraints of the modular housebuilding model will be key for creating additional capacity in the system to build at pace and scale.

The fund will provide an opportunity for MMC producers to consolidate their manufacturing capability, safeguarding jobs and create new job opportunities in those companies as a direct result of an increased order pipeline for MMC social homes. Most of the existing MMC SMEs are family run firms, operating in areas where job market can be difficult as a result of declining traditional industries. Employing mainly local labour, supporting business through cash flow products protects and promotes jobs and training and apprenticeship in deprived communities.

Increasing the capacity of modular builders to build more homes in a factory setting, rather than on a construction site has a major impact on workers' health and safety. Construction is the 4th most dangerous industry in the UK for serious injury and fatalities. Studies demonstrate RIDDOR accidents making modular building is 1 in 4600 hours compared to 1 in 1500 hours for buildings constructed traditionally.

The more homes built with Modern Methods of Construction, the easier it will be to meet climate change targets. In line with the ambitions of the Programme for Government, Modern Methods of Construction also offers the opportunity to introduce and integrate cleaner technologies and more energy efficient home building solutions through its 'fabric first' approach. In terms of the circular economy, waste from producing homes by manufacturing in a factory is reduced 70-90%, compared with traditional build.

Building homes using MMC opens up the construction industry to a wider prospective labour pool. Current modular providers operating in the UK have a more diverse workforce, actively recruiting underrepresented groups into what is perceived as a traditionally male-dominated construction employment. This has resulted in

more women undertaking such roles, both in finishing and skills elements of house production and also in a business management roles such as supervisory and quality assurance.

Cylch Caron Integrated Resource Centre – allocation of £2m financial transactions capital

We have allocated £2m financial transactions capital to the Cylch Caron Integrated Resource Centre. The allocation comprises a loan of £2m over 25 years at 2% interest to complete the financing of Cylch Caron, a strategic health, housing and social services project. The scheme has received ICF capital (£1m) and a Welsh Government health grant of £0.727m to purchase the site. Subject to approval of the Final Business Case, the scheme will receive Social Housing Grant (£4.442m), NHS capital (£2.115), a contribution from Ceredigion County Council and Hywel Dda UHB (£0.680m) and a £2.106m commercial loan by Mid Wales Housing Association. The FTC loan is required to compensate for higher construction costs in a deep rural area (following two OJEU procedures) and low levels of rent.

The development includes a new Health Centre with GP practice, pharmacy, outpatient clinics, community nursing and social care. It will provide an additional 34 extra care units and six step-up/step-down units for intermediate care and rehabilitation.

The scheme fulfils a number of Prosperity for All commitments: to plan our capital investment decisions so they can have a big impact on the economy; to help different organisations to deliver their services in a single place, and minimise the individual's need to travel; to co-locate services by integrating the way that we make our investment decisions; to deliver a tangible shift in the provision of health and care services into communities, and away from hospitals; and to co-ordinate housing, health and social care capital programmes to provide innovative, affordable, accommodation and nursing care building on the Integrated Care Fund approach.

This collaboration between health, care and housing partners applies the five ways of working in the Well-being of Future Generations Act, by working in an integrated way to prevent problems occurring or becoming worse and to consider longer term needs.

The scheme will also contribute to decarbonisation by replacing a number of old and inefficient buildings and reducing the need to travel.

Social Housing Grant

An additional allocation of £48.1m has been made to the Social Housing Grant Programme in 2020-21. The programme works collaboratively with Local Authorities and Registered Social Landlords in order to maximise the number of homes built for the grant available.

Up to date estimates on housing need indicate that we are not delivering enough affordable housing to meet the need which exists in Wales. Investment through the

Social Housing Grant aims to reduce the level of unmet need and is a key driver in our investment decisions.

Investment in social housing developments can also support older people and those with additional care requirements to avoid dependence on residential or long term care and thereby reduce the risk of people being isolated or lonely. Grant funded affordable housing is built to Welsh Government Development Quality Requirements (DQR) which includes building to Lifetime Homes Standards. Homes built to these standards are easier and cheaper to adapt for adaptations which allow tenants to remain in their homes for longer.

The Welsh Government continues to prioritise investment in social housing rather than other forms of tenure because occupants of social housing are the most likely in society to be in poverty and socially disadvantaged. Decent and affordable housing can significantly improve people's physical and mental health, meaning they are more likely to be able to access education and employment. For example 25% of children in bad housing gain no GCSEs compared with around 10% not living in bad housing. In addition, children living in acutely bad housing are 20% more likely to attend hospital A&E departments than other children. Investment in good quality homes therefore has a direct impact on the health of those living in them.

For all age groups those in social housing were more likely to have a limiting long-term illness, disability or infirmity than owner occupiers and those privately renting. In addition evidence indicates that 58% of people from a non-white background live in owner-occupied homes compared with 75% of people from a white ethnic background. 33% of people from a non-white ethnic group live in privately rented accommodation compared with 10% of people from a white ethnic group. Increasing our investment in social housing allows us to target those who are most in need across all ethnic groups in Wales.

Innovative Housing Programme – allocation of £25m general capital

Decarbonising the housing stock in Wales is a priority for the First Minister, and we are delighted to be able to allocate an additional £25m general capital to this priority in 2020-21.

In my response to the Affordable Housing review on 9 July 2019, I made clear my expectation that affordable housing leads the way in terms of housing tenure to build new homes which are zero carbon and decarbonise the existing housing stock. Our ambition has to be that all homes built whether publicly or privately funded in Wales should be built to this zero carbon standard. In addition, I have responded to the review's recommendations on decarbonising the existing affordable housing stock, by agreeing to examine the funding of a significant retrofit programme of works, and testing what is possible now and in the future to make this happen.

This project aims to develop and extend the Innovative Housing Programme (a three year £90m programme) to a fourth year to maximise the return on investment we can derive from the previous funding rounds. Evidence emerging from the programme suggests that utilising modular and other modern methods of home construction are a highly effective mechanism to deliver near zero carbon homes.

This additional £25m funding, will look to build on the themes that were introduced in the third year of the programme and look to push the boundaries of innovation in the

key themes of crossover to retrofit, phasing out gas heating solutions and homelessness.

As well as building near zero carbon new homes, there is an urgent need to understand how the technologies and approaches being tested in the current Innovative Housing Programme can be retrofitted to **existing** affordable homes. This is key as around 80% of home carbon emissions in Wales come from the existing housing stock. Furthermore, Wales has some of the oldest and most challenging stock to make zero carbon in the UK, with 45% being built before 1950.

Last year the Independent Steering Group looking at this issue recognised the scale of this challenge. The group identified the importance of investigating technologies currently deployed specifically for new home building to address the far more complex issues surrounding improving the carbon performance of existing homes.

Two of the three themes are directly linked to decarbonisation of both new build homes and existing house stock. Increasing the amount of new homes produced with a modular approach makes homes low or zero carbon. A high proportion of homes of the future will be built in a modular style.

The Well-being of Future Generations (Wales) Act 2015 provides a framework for how applicants can demonstrate not only the innovation they plan to deliver, but how their scheme delivers broader Welsh Government policy objectives. The programme aligns with the seven goals enshrined in the Well-being of Future Generations Act and the five ways of working; with schemes looking to harness opportunities to deliver jobs, skills and develop local industry. We are also proposing to make wider links to the broader circular economy agenda. We expect to make a greater use of timber in their construction, with timber being the only sustainable, Carbon neutral building material of the 21st Century.

Regenerating Town Centres

We continue to support our town centres with funding of £36m in 2020-21 for regionally prioritised projects under the Targeted Regeneration Investment Programme which promote economic regeneration and well-being of our towns and communities. This will be supplemented by the following additional allocations:

Town Centre Loans

Making the best possible use of existing properties and development opportunities within Welsh town centres is fundamental to addressing the downturn and deterioration that has and continues to occur. In light of this we have made an allocation of £10m financial transactions capital to enable the extension of the Town Centre Loans scheme. Empty and underutilised properties can be used to accommodate people and furnish business needs whilst unlocking development sites, bringing economic benefit through the construction industry, as well as jobs, skills and growth and increased housing offers to the areas.

Continuing reductions in public expenditure together with uncertain economic forecasts continue to have important effects on the cost and availability of suitable town centre properties for both business and living accommodation. Restricted access to finance to building owners and occupants has resulted in a large reduction

in spending on unlocking town centre sites for development, renovation or refurbishment of buildings.

The loan scheme enables short to medium term loan finance to be provided to those owners and developers of sub-standard properties with underutilised or vacant spaces, to bring them back into beneficial use for the communities in which they are situated. Projects can also deliver enhanced energy efficiency, reducing energy costs, addressing fuel poverty and reducing carbon emissions. The loans will also be expected to lever in investment from the private sector.

The loan scheme already supports 32 towns across Wales, with 15 LAs acting as the intermediary to deliver the loan funding to third parties who actively deliver the scheme. The recognised benefits include supporting job creation and economic growth through the provision of modern business space and allowing local and new business to grow and develop in our town centres. This additional funding will allow the scheme to be extended to additional towns and authorities.

Town Centre Green Infrastructure and Biodiversity Programme – allocation of £5m general capital in 2020-21

£5m general capital has been allocated in 2020-21 to the Town Centre Green Infrastructure and Biodiversity Programme. The programme supports the implementation of Environment schemes and reflects Well-Being of Future Generations Act principles through the sustainable introduction of Green Infrastructure into town centres in ways which deliver economic and social benefits for local communities.

Urban green infrastructure directly supports the First Minister's commitment for a 'focus on small things which can create local, accessible green spaces'. Urban green infrastructure consists of many small actions to form a multifunctional network:

- all our open spaces and network of habitat, parks, playing fields, allotments, private gardens, ponds, rivers, canals, woodland, street and garden trees, and hedges.
- it includes all green space as urban areas can contain substantial amounts of semi-natural habitat.
- can be engineered to form green roofs and walls, sustainable drainage or as street trees.
- can be part of our transport links, for example, when wild flowers are planted into grass verges along our road and rail networks and at roundabouts and on top of bus shelters to encourage nature. It can be a key part of our active travel networks.
- includes the links between our urban areas and their surroundings so they 'join up'.

We will ensure that biodiversity is built into each element so that each project helps to build resilient ecological networks.

Green infrastructure planting is a proven process to sequester environmental carbon. Planting on town centre buildings can for example help retain water, provide shade and reduce the need for heat cooling. My intention is that the programme should act as a town centre green infrastructure demonstrator project and outcomes will therefore be monitored to ensure that there is a lasting impact that can be replicated in future town centre regeneration programmes.

We will ensure that infrastructure improvements will be delivered in accordance with industry best practice, such as the Green Roof Organisation (GRO) Code for green roofs. Our aim must be to ensure that all projects are truly sustainable as well as delivering wider public benefits. The resources deployed for this work will make a real contribution to help mitigate the effects of climate change within our town and city centre. Green infrastructure has been proven to help cool town and city centres, contribute significantly to the well-being of residents and visitors and help instil a sense of place. We are also proposing that Sustainable Urban Drainage Systems (SUDS) related planting should be supported to help mitigate the effects of flood related surface flooding. Improvements will be delivered in collaboration with other Welsh Government departments, local authorities, local communities, local interest groups and private sector partners.

The implementation of Green Infrastructure in our town centre urban environment specifically helps deliver a 'sense of place' with specific and targeted interventions. For example, a green roof will be specific to a building type and design. The implementation of greening schemes has a significant effect in helping restore civic pride in our communities.

Equalities

Revenue budgets across the Equalities portfolio were again baselined at the first supplementary budget 2019-20. To build on this baseline, the Deputy Minister and Chief Whip received specific allocations totalling £1.86m in 2020-21 from the European Transition Fund to fund specific actions as a result of the UK's preparations to exit the European Union. The Deputy Minister and Chief Whip also received a general uplift of £1.5m to apply across her portfolio. This has been targeted as follows:

- £0.09m for the Blueprints for youth justice and female offending
- £0.39m for the Women's Pathfinder
- £0.14m for the next stages of the Rapid Review on Gender Equality
- £0.05m for legal advice for destitute asylum seekers
- £0.05m for the initial implementation work for the Socio-economic duty
- £0.07m for research in relation to equality and human rights in Wales
- £0.04m for Windrush Day 2020 celebrations
- £0.25m for additional funding through the VAWDASV Grant
- £0.05m for LGBT training across Wales
- £0.25m for additional support for equality organisations
- £0.12m for additional support in relation to race policy development and engagement with race organisations

This recognises the important part that equalities plays in achieving government priorities and the national well-being goals.

Indicative Capital budgets for 2020-21 were published as part of the 2019-20 draft budget. To build on this baseline, two specific capital allocations totalling £2.2m were received.

European Transition Funding

The following allocations were made in 2020-21 from the European Transition Fund, these build on allocations made in the 2019-20 financial year:

- £0.76m to the Strengthening Community Cohesion project;
- £0.6m to the Tackling Hate Crime & Community Cohesion Action; and.
- £0.5m to the EU Citizens Rights project

These projects seek to embed the five ways of working, with a strong emphasis on the involvement of groups with protected characteristics under the Equality Act 2010 and providing interventions which seek to prevent harmful impacts and promote integration.

The expanded **Strengthening Community Cohesion** programme supports local authorities to work more closely with community members, through the provision of two full time equivalent cohesion officers in each region of Wales. This supplements the work of existing Regional Community Cohesion Co-ordinators to involve those affected by cohesion issues, encourage collaboration with key services in the local area and encourage the integration of services to ensure more cohesive communities. This approach seeks to prevent harmful outcomes such as segregation, social exclusion and hate crime.

The **Tackling Hate Crime and Community Cohesion** projects seek to involve ethnic minority and minority faith communities who are at risk of being victims of hate crime. This has been achieved by funding eight organisations who support these communities through the Hate Crime Minority Communities Grant and involving hate crime victims in the design of our hate crime communications campaign. The project also expands the capacity of the National Hate Crime Report and Support Centre to ensure all victims of hate crime receive one to one support from Victim Support Cymru. Each aspect of this project has been designed to work collaboratively with the organisations who are best placed to support victims or potential victims of hate crime, to prevent long-term harmful effects.

The **EU Citizens Rights Project** involves collaboration between organisations; Citizens Advice Cymru (experts in advice provision), EYST (with expertise in undertaking outreach to support minority communities in Wales) and Settled (a grassroots volunteering offshoot of the 3 million EU citizen advocacy group). The project seeks to ensure EU Citizens get access to good advice to support them to apply for Settled Status, to challenge inequalities in access to services, and protection from exploitation in the workplace. This advice aims to support our communities for the long-term by ensuring EU citizens can stay and thrive as members of Welsh society. Spending on these projects supports the Well-being Goals of a more equal Wales and a Wales of cohesive communities.

The principle of preventative action is fundamental to the work undertaken through these projects, with the “upstream” work of the Regional Community Cohesion Co-ordinators (Strengthening Community Cohesion Programme) in reducing local tensions, fostering respects and understanding between different groups and building cohesive communities, reducing the likelihood of more serious problems such as extremism, hate crime and terrorism occurring “downstream” (Tackling Hate Crime and Community Cohesion Project). Many stakeholders including the police, local authorities and third sector partners have warmly acknowledged the valuable contribution of their local Cohesion Coordinators in these ways.

The support for the EU Citizens Rights Project seeks to ensure these members of our community understand what actions they need to take to regularise their status and prevent potentially harmful situations such as homelessness, unemployment or deportation over time.

These projects allow the Welsh Government to put in place additional action in the context of EU withdrawal to do everything possible to monitor and reduce community tensions, foster community cohesion, and prevent development of serious disorder. Enlarged regional teams will have more capacity to engage both with public services and local communities on these issues.

Increase to Equality budgets

In addition to maintaining revenue budgets at the 2019-20 levels, we are pleased to see an additional £0.77m increase in the Equality and Inclusion budget. This additional budget will be allocated to support the following activity.

Review on gender equality

The Gender Equality Review began in March 2018 with a rapid review resulting in a Phase 1 report of 31 recommendations. Phase 2 concluded in July 2019 with the delivery of the 'Deeds not Words' report and a Roadmap focusing on specific policy areas with 81 recommendations approved by Cabinet. The funding will support the next phase of work which focuses on implementation.

Legal advice for destitute asylum seekers

This funding will safeguard the support provided to people seeking sanctuary in Wales. Funded legal advice is crucially important because of its specialist nature and the complex nature of applying for asylum.

Socio-economic duty

This funding will support work to commence the socio-economic duty in Wales, in line with the First Minister's manifesto. This activity will enable initial implementation work required in relation to the duty.

Equality and human rights research

Commissioning of research on the wider options to strengthen and advance equality and human rights in Wales, which, among other things, will consider the possible incorporation of UN conventions into Welsh law and whether there may be a need for fresh legislation, such as a Human Rights Bill for Wales. This research is expected to report by the end of 2020.

Windrush Day 2020 celebrations

Welsh Government provided funding to organisations across Wales to celebrate Windrush Day 2019. This support will be continued through a Windrush Day 2020 grant scheme to be launched in early 2020 for Windrush Day which is celebrated in June each year.

LGBT training across Wales

This funding will support the development of a training package to be delivered across Wales in line with the First Minister's manifesto.

Additional support for equality organisations

This funding will supplement the work being delivered under the Equality and Inclusion Programme. It will focus on specific priority work in each area and support delivery of actions under the new Strategic Equality Plan 2020-2024.

Additional support in relation to race policy

This funding will help support further development and engagement with race organisations across Wales.

Disability Confident Scheme

In addition to the above, a further £0.2m is being allocated to develop a Welsh disability award scheme for employers which will build on the Disability Confident scheme to encourage employers to aspire to be more supportive of disabled people.

The scheme will work with disability and voluntary organisations to explore the specific needs of Wales in developing the scheme, maximising existing levers to encourage employers to take action through the Economic Contract.

Funding enables delivery of objectives which aim to:

- assist Welsh Government in achieving the Equality Objectives; and
- work with people from the protected groups.

Delivery therefore aims to promote equality of opportunity. The specific objectives taking this forward are objective 1 (involving protected groups in planning of services and providing disabled people with voice, choice and control over their lives), objective 2 (through accessible advice), objective 3 (addressing factors related to employment, skills and pay inequalities by addressing the causes and promote equality of opportunity), objective 5 (supporting protected groups to have the same opportunity to take part in public life and public appointments) and objective 7 (tackling poverty and inequality for protected groups).

The new funding proposals will build on the work we have already undertaken over the last three years and help us continue to mainstream equality across all our work and tackle the areas of inequality which matter most to the people of Wales.

Violence against Women and Domestic Abuse

As well as maintaining revenue and capital budgets at their 2019-20 levels, we are pleased to see an additional £250k of revenue and £1.2 million capital funding allocated to violence against women, domestic abuse and sexual violence.

The Welsh Government has publicly committed to making Wales the safest place in Europe for women, and significant work has been undertaken since the introduction of the Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015. As the UK introduced its Domestic Abuse Bill it looked to Wales to learn lessons, and our National Advisers have provided evidence to the Joint Parliamentary Committee scrutinising the Bill.

The Wales Audit published its report progress in implementing the Bill on 21st November 2019. This showed that, while the Act is driving improvements, services are still inconsistent, complex and short term. The Welsh Government is working with the sector to develop a preventative and long term, needs-led approach. The additional

£250k will allow previously unfunded work to be progressed to amplify delivery of key priorities as set out in the National Strategy 2016-2021.

Dispersed safe accommodation for families fleeing domestic abuse

The additional capital allocation of £1.2m which will support third sector providers to buy dispersed community-based units with flexibility to meet the needs of families which can't be met by refuges, or to enable move on from refuges. Women are more likely to be affected by domestic abuse than men and more likely to flee their homes. As women are predominately the care-givers in society they are more likely to flee with children. In addition, there may also be a requirement for men fleeing domestic abuse, particularly as they are less likely to seek or accept refuge accommodation and may feel more secure in dispersed units.

The scheme will meet a number of the wellbeing objectives, in particular, “united and connected goal” by improving, in the short term the employment and earning potential of the head of the household being supported in dispersed accommodation, and in the future, long term potential of children of that household under “ambitious and learning” goal. It will also contribute towards the goal of “a more resilient Wales” by supporting families to flee violence and keeping them together, their resilience is developed and physical, mental and emotional wellbeing is safeguarded. “A more equal Wales” and “a Wales of cohesive communities” will also be met by allowing families to play a full part in their new communities, rather than being trapped by fear and violence in their current homes and by providing services to increase their security such as guidance on maintaining a tenancy.

Community Asset Loan Fund

An allocation of £1m financial transaction capital has been made in 2020-21 to the Wales Council for Voluntary Action’s Community Asset Loan Fund. The fund aims to provide community groups taking on community assets with loans of up to £500k to purchase and/or improve these assets for the benefit of the local community.

The Loan Fund will contribute to the delivery of the Prosperity for All commitment to help local communities take ownership of community assets which bring people together. The fund will provide another option for communities where there is a risk they may lose valuable assets. It will do this by offering loan finance to those community groups who are mature enough to move away from grant funding, but not yet in a position to borrow from commercial lenders.

The fund will contribute to the empowerment, resilience, wellbeing and cohesion of communities. It will help to prevent the loss of services where community groups are able to take on the running of much needed community buildings with the assistance of the fund.

The third sector is well used to working in a collaborative and integrated way. Community groups who take on the running of community buildings must work with partners to develop sustainable proposals for the operation of the building. This can include other community groups who may share, rent or utilise the space and local authorities and other public bodies who may deliver services from the venues.

This approach protects a valued public service for the longer term, using an alternative delivery model which allows the local authority to save money and the community to protect and develop an important asset and vital service.

The transfer of assets to the community empowers that community as they engage people in local decision-making, seeking their views on the development of the asset. Community ownership of valued and well used buildings can provide a focus for cohesion and build community resilience. The services on offer will provide opportunities for individual community members to learn, socialise, volunteer and work.

Community owned buildings provide services which can prevent problems occurring. The opportunities to socialise and volunteer help to prevent loneliness and isolation. Protecting local access to services such as libraries, training opportunities and local health services helps to build resilience. Community buildings are places where people can find help and support ranging from a foodbank, debt and benefit advice or an exercise class or weight loss group. These activities can often prevent problems developing or worsening. This helps to avoid the need for more acute interventions.

The Loan Fund will help community groups to improve these buildings, many of which, especially those which may have been in public sector ownership, have maintenance backlogs. These improvements could include better insulation, more efficient heating, new technology such as solar panels, triple glazing, rainwater harvesting systems. These improvements help the decarbonisation agenda and provide environmentally and financially sustainable community buildings for the long term.

Blueprints for Youth Justice and Female Offending

Work has been undertaken to develop proposals on how a distinct and different justice system would operate in Wales. The Female Offending blueprint was developed jointly by HM Prison and Probation Service (HMPPS) and Welsh Government, predicated on the basis of early intervention and prevention; considering how we can further divert people away from crime in the first place, but where we do have to work with offenders, that we do so in a holistic and rehabilitative way. A separate blueprint for Youth Justice was jointly developed between officials and the Youth Justice Board Cymru, building on the key themes of the Charlie Taylor Review of the Youth Justice System of England and Wales, but focusing on the system as it stands within Wales. The Police and Crime Commissioners in Wales and the Home Office are also key partners in this work.

Both blueprints are intentionally ambitious and set out a number of recommendations, many of which will have an impact for devolved services within various ministerial portfolios (health, social services, education, and housing). The intention is that the recommendations set out in the blueprints will be aligned to the existing priorities within respective portfolios in order to provide a coherent and collaborative approach to justice policy that meets the needs of Wales. At this stage of development, the budget and funding required to implement the aspirations of both Blueprints is not fully known but elements will be picked up in the respective portfolio budgets of health, housing etc. Work is underway to identify potential methodologies in which to deliver the Implementation Plans of both blueprints. This will be achieved via cross portfolio working within Welsh Government, and also on a cross departmental level with HMPPS and the Ministry of Justice.

Both Blueprints contribute to the cross-cutting priorities in the national strategy Prosperity for All by focussing on prevention and early intervention in order to reduce

the instances of crime and to divert people from entering the criminal justice system, thereby reducing the risk of crime on communities, individuals and their families. By ensuring that the emerging whole system approach includes the appropriate levels of wraparound support, including substance misuses and mental health support to those who have experienced trauma which may lead to offending, we are also able to support the Health and Active priority. The Ambitious and Learning priority is also addressed with the provision of appropriate levels of education and learning for those within the education system in all settings (including non-mainstream settings) to reduce school exclusions which could leave young people vulnerable and at risk of entering the criminal justice system.

The five ways of working set out in the Well-being of Future Generations (Wales) Act are also addressed. The blueprints have a long term focus by breaking intergenerational cycles of crime, creating a fairer society with more equal outcomes for all. The safeguarding of women and children, tackling root causes of offending behaviour is preventative in nature with a collaborative approach entrenched to deliver transformative services. We have worked hard to understand the links across policy areas and how this approach can improve the social, economic, environmental and cultural well-being of our communities and have developed our approach to delivering effective services by involving those affected (victims, women, children and communities).

Women's Pathfinder - Whole System Approach Business Proposal 2018-2022

Wales has been one of the leading areas of good practice in working with women in the Criminal Justice System, with one of the main drivers of this work has been the Women's Pathfinder Programme which is a key feature of the Female Offending Blueprint. The aim of the programme has been to design and deliver a women-specific, integrated, multi-agency approach to working with women who come into contact with the Criminal Justice Service in Wales by delivering a women specific, integrated, multi-agency approach – A Whole System Approach. The need for such an approach has been well documented and supported in principle since the Corston Report (<https://webarchive.nationalarchives.gov.uk/20180207155341/http://www.justice.gov.uk/publications/docs/corston-report-march-2007.pdf>) in 2007.

The Women's Pathfinder, originally received Ministerial approval for £370,205 over three years (19-20, 20-21 & 21-22).

A business case for 'Visiting Mum's' programme which is linked to a specific recommendation included in the Female Offending Blueprint (Establish services for Welsh women in custody to improve and maintain links with children and families) has been prepared and at an approximate cost of £176k per annum. Welsh Government has been approached by HMPPS for a 50% contribution. This has been factored into the draft budget and will be subject to further development as part of the wider Blueprint work programme.

Tackling Poverty

Poverty Cross-cutting theme

The work which was led by the Minister for Environment, Energy and Rural Affairs identified a number of policy areas aimed at reducing poverty across Welsh Government portfolios which could potentially be extended. As well as existing activity the work also looked at alternative initiatives to consider whether or not these could be adopted.

All of the options were documented and fed into the budget setting process, along with the other cross cutting pieces of work identified as priorities for the 2020-21 budget. Key in deciding which of the tackling poverty measures would be funded was the evidence supporting the effectiveness of the measures which were identified.

The measures which are included in the Draft Budget include:

Investment Proposal	Cross Cutting Area	Allocation	Description
Period Poverty	Poverty	£0.22m (CSA MEG)	Period poverty funding enables local authorities to provide sanitary products to women in financial difficulty.
Period Dignity	Poverty	£2.3m (CSA MEG)	Funding was provided for this from 2018-19 and this funding is to continue this provision into 2020-21.
Period Dignity Further Education	Poverty	£0.845m (Education MEG)	A similar proposal to promote period dignity extended to the Further Education sector.
Discretionary Assistance Fund	Poverty	£1m (HLG MEG)	DAF provides those in need with two types of grant that don't need to be paid back. The Emergency Assistance Payment helps with essential costs after an emergency or disaster and to meet the immediate cost of living, covering the cost of food and fuel for those who are facing severe financial hardship. An Individual Assistance Payment helps those requiring care to live independently rather than enter or remain in an institution such as a care home or hospital.
Time Credits	Poverty	£0.5m (total £1.5m over 3 years) (CSA MEG)	Working with a delivery partner, this funding will consolidate a number of smaller activities into a more ambitious, national programme.
Pupil Development Grant (PDG) Access extension	Poverty	£3.2m (Education MEG)	The purpose of the PDG is to improve outcomes for learners eligible for free school meals (eFSM) and Looked After Children (LAC) in Reception, Year 3, Year 7 and Year 10. It is intended to overcome the additional barriers that prevent learners from disadvantaged backgrounds achieving their full

			potential. The proposal is to extend PDG access to more year groups.
£1 free breakfast allowance pilot for eFSM pupils in secondary schools	Poverty	£0.45m (Education MEG)	The proposal is to support a feasibility study linked to a pilot starting in September 2020 over two financial years (£450k in 2020/21 and £150k in 2021/22). The aim is to develop, pilot and evaluate a variety of breakfast club models in a range of schools in the four regions of Wales, recognising the potential significant cost of national implementation.
School Holiday Enrichment Programme expansion	Poverty	£1.8m (Education MEG)	SHEP is aimed at addressing issues like holiday learning loss, social exclusion and food insecurity and has been joint funded by the Welsh Government and local authorities since 2017.
Holiday hunger pilot extension to reach 10,000 children providing 200,000 meals	Poverty	£1m (Education MEG)	The Holiday Hunger Playworks pilot enables existing playwork and community settings across Wales to provide food for children attending the play provision. Throughout the 2019 summer break food has been provided across wales in areas with high levels of deprivation to help tackle 'holiday hunger'.
Early Years Pupil Deprivation Grant (EYPDG) increase to bring all learners up to £1,150	Poverty	£6.6m (Education MEG)	The Pupil Deprivation Grant is extra funding intended to overcome the additional barriers disadvantaged learners face which prevent them from achieving their full potential. An evaluation of the EYPDG, which has been in place since 2015/16, was published in 2018. One conclusion reached was that the main constraints of the grant related to the level of funding, its distribution to non-maintained settings and the methods for identification of eligible children.
Home energy advice and tackling fuel poverty support services provision	Poverty	£0.4m (EERA MEG)	An option for how to better provide home energy advice and tackle fuel poverty in Wales is to consider the role of an Energy Mutual. A 12 month programme of three pilot areas under existing Nest Scheme arrangements or advice services action plan in 2020-21 has been proposed to better inform potential costs and benefits arising from improved advice and support available to low income homes. It would involve the deployment of five case workers delivering intensive advice and support to lower income families.

Promoting Economic Growth

Prosperity for All: the National Strategy provides a framework for our whole-government approach to prosperity for all and addressing the root causes of poverty in a more effective, joined-up way. The strategy will be driven by a focus on raising skills levels, ensuring sustainable employment and spreading the benefits of economic growth as widely as possible.

Period Dignity

Over the past two financial years, £0.2m revenue funding has been provided each year to Local Authorities to support period dignity in communities.

In addition to this, in 2019, £2.3m revenue funding was provided to Local Authorities to make period products available to learners in all schools across Wales free of charge.

This same level of funding is being allocated to Local Authorities for these purposes in 2020-21 from the poverty cross cutting theme budget.

This funding will enable action to support women and girls in a way which promotes the Welsh Government's commitment to reduce inequalities and mitigate the impact of poverty.

This action contributes towards:

- Continuing our work with all protected groups to counter discrimination and ensure opportunities for all; and
- Supporting every learner to overcome the barriers to reaching their full potential.

Action to tackle period poverty contributes to a more equal Wales and will help to deliver a society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).

Tackling period poverty is particularly relevant to objective 7 of the strategic equality plan which aims to reduce poverty, mitigate the impacts of poverty and improve living conditions for those groups most at risk of living in low income households, particularly disabled people, lone parents, certain ethnic minority groups, and families with disabled children by providing support to those families who are most in need.

Financial Inclusion

Financial exclusion remains a key issue within Wales and the activities funded in the BEL to deliver against the financial inclusion agenda are key to helping reduce poverty. In 2020-21 the Discretionary Assistance Fund budget will increase by £1m to meet the increasing demand on the Fund. DAF provides those in need with two types of grant that don't need to be paid back. The Emergency Assistance Payment helps with essential costs after an emergency or disaster such as a flood or fire in the home and to meet the immediate cost of living, covering the cost of food and fuel for those who are

facing severe financial hardship. An Individual Assistance Payment helps those requiring care to live independently rather than enter or remain in an institution such as a care home or hospital.

Ensuring that financial inclusion is at the forefront of the Welsh Government's spending plans will support individuals to improve their financial situation and general well-being, preventing more costly interventions to the public purse.

Financial inclusion makes a vital contribution to the skills and employability, mental health and housing priorities set out in Prosperity for All. Debt and poor money management can impact on a person's ability to sustain employment and there are established links that debt, housing and welfare issues can lead to mental ill-health. Our financial inclusion work supports citizens to participate fully in society, to prepare for and sustain employment and diminishes the risk of adverse experiences of children by mitigating a range of individual, relational, community and societal factors for parents/carers.

The Financial Inclusion work supports the Well-being of Future Generations Act. The Fund contributes towards many of the goals, including a "more equal Wales" and "a healthier Wales" Support provided helps those who are financially excluded have access to financial products they may not be able to access elsewhere, contributing to a more equal, prosperous, resilient and healthier Wales. It also is preventative, with credit unions encouraging a savings habit and promoting access to ethical loans, to people who, without the service of a credit union, are likely to use high-interest lenders.

Time Credits Programme

In 2020-21 we have allocated £0.5m (£1.5m over 3 years) to the Time Credits Programme. Time Credits are a currency which is earned for voluntarily giving time to a number of community based projects. They can be spent in a range of places, known as spend partners, on the whole these are social experiences such as cinemas, play areas and attractions. The current situation in Wales is around 13 projects across various Local Authority and Local Health Board areas that operate in pockets, e.g. In the Vale of Glamorgan the Housing Department is running a Time Credits project with housing tenants and in Cardiff and Vale UHB there is a programme linked to substance misuse. In total Tempo has attracted approximately £300k in funding, all of which is due to come to an end in March 2020.

Following a commitment in the Leadership Manifesto to use Time Credits as a means of increasing citizen engagement in Government activity, in particular consultation officials have explored the opportunity of a **national programme**. The national proposal will:

- seek to establish 24 Time Credits Hubs across Wales,
- increase community cohesion through increased volunteering opportunities,
- increase citizen engagement with Government activity – consultation,
- increase opportunities for people in poverty (social, wellbeing)
- explore opportunities with spend partners such as transport, energy and food.

Built in to the programme is a comprehensive evaluation, which will focus on 2 key themes – reducing loneliness and isolation and increasing community capacity. In addition to working with organisations such as Local Authorities, Health Boards etc. to establish community activity and increasing the breadth of spend partners, we will develop a digital currency and ensure the entire programme is bi-lingual. This is a three

year programme which includes a plan to explore sustainability at the end of the programme, in particular self-funding.

Individual projects, such as the Vale of Glamorgan housing project, have been found to increase community participation in volunteering events in their area e.g. community garden, litter clearance and local maintenance. They have also used time credits as a means to increase attendance at community engagement events. Engagement has also taken place with Future Generations Commissioner's office, who are keen to collaborate on the programme.

Welfare Reform

The Department for Work and Pensions (DWP) is in the process of migrating claimants from legacy benefits to Universal Credit. This started in July 2019 and is currently expected to be completed by December 2023. DWP statistics show that there were around 131,060 people on Universal Credit in Wales in October 2019, and around 106,170 households on Universal Credit in Wales in August 2019, compared to an estimated 400,000 households once Universal Credit is fully rolled out.

As a result of the continued roll out of Universal Credit, in April 2019 we introduced an annualised net earned income threshold of £7,400 for Universal Credit claimants who want to claim free school meals for their children. We are also providing transitional protection, which means that pupils who were eligible for free school meals because their families received Universal Credit or qualifying legacy benefits when the threshold was introduced, or any new claimants who gain free school meals during the rollout of Universal Credit, are protected against losing free school meals whilst Universal Credit is rolled out across Wales, even if their eligibility changes. Once Universal Credit is fully rolled out, any existing claimants who no longer meet the eligibility criteria (because they are earning above the threshold) will continue to receive protection until the end of the pupil's current phase of education (for example, until they finish the primary phase or the secondary phase).

We made an additional £7million available through the Settlement in 2019-20 to fund the estimated increase in the number of children eligible for free school meals and the transitional protection offer. This is in addition to funding of £5million we provided to local authorities in 2018-19, as a specific grant within the Education MEG, to meet the additional free school meal costs associated with the rollout of Universal Credit.

Through the Single Advice Fund, £8.04m of grant funding has been made available for the provision of information and advice services during the period 1st January 2020 to 31st December 2020. The available funding has been allocated between six regions and a national remote advice service.

Strategic Integrated Impact Assessment

The Strategic Integrated Impact Assessment reflects the impact assessments considered by policy areas.

Putting gender at the forefront of policy making

The Gender Review has provided a valuable opportunity to consider how Welsh Government can put a gender perspective at the heart of decision-making, resource and budget allocation.

The Gender Equality Review concluded in July 2019 and Chwarae Teg's *Deeds not Words* report and Roadmap, together with a number of complementary reports, were published on 24 September 2019. Welsh Government issued a Written Statement on 26 November 2019.

Already as part of the 2020-21 draft budget preparations a gender budgeting approach is being explored as part of the new Personal Learning Account pilot that was launched in September.

The Welsh Government has committed to using its new tax raising powers in a way which will benefit people and businesses in Wales fairly. Our 2017 Tax Policy Framework set out our strategic approach to tax and the principles for developing and managing Welsh taxes. This includes specific assessments of the impact on households, groups and individuals in Wales undertaken as necessary.

As the Welsh Government continues to explore new tax measures in four priority areas, we are committed to providing opportunities for people to become involved in order that the widest possible views are taken into account in developing tax policy proposals, this includes our annual tax conference, project reference groups and the Tax Advisory Group chaired by the Minister for Finance and Trefnydd.

Our current work exploring the feasibility of new tax measures to help fund future social care provision in Wales is taking full account of the need for fairness and progressivity. Evidence indicates that carers are primarily women. This means women are more likely to be unpaid informal carers or in relatively low-wage employment as support workers. As a result, we will be considering carefully the impact on carers in developing our proposals. The funding options for social care will consider also wider workforce aspects, including improving retention and recruitment.

Joint Work of ELGC, Finance and Children, Young People and Education Committee

This year we have published a Budget Improvement Plan which sets out how we intend to change and improve the way we allocate funding for a more equal, prosperous, and greener Wales.

The Budget Improvement Plan outlines our vision, including short-term and medium-term ambitions over the next 5 years, to improve our budget and tax processes. The Plan also acknowledges the steps we have taken in our journey, and how we have built, or plan to build on this work in future years.

We have engaged with a range of stakeholders to considered how we might improve the way we allocate resources over the longer term, including our approach to how we assess the impact of our budget decisions.

The Minister for Finance and Trefnydd also met with each of our four statutory Commissioners and the Equality and Human Rights Commission to hear their views on priority areas for the Budget.

Following engagement with the Equality and Human Rights Commission we are taking forward the development of distributional impact assessment approach to understand the impact of public spending decisions on households in different parts of the income distribution.

We have worked with Chwarae Teg and the Wales Centre for Public Policy as they considered phase 2 of the Gender Review. As a result we are taking forward a gender budgeting approach as part of the two year personal learning account pilot.

We are currently carrying out a comprehensive review of the Integrated Impact tool focused on driving better policy-making and greater transparency. It will also include engagement with a number of external stakeholders including the statutory Commissioners and members of the Budget Advisory Group for Equality.

Legislation

Assessing the costs of legislation and the impact on those it affects is an essential part of the policy development process. There cannot be a blank cheque for legislation and every new commitment will have to be paid for by a cutback somewhere else.

This is why every bill is subject to a robust assessment of costs and benefits, achieved through consultation and engagement with our stakeholders in the development of the regulatory impact assessments prepared for Government Bills. This is to ensure our decisions are informed by the people who will be affected by them.

Steps are being taken to improve the clarity and consistency of RIAs but changes to the bill during scrutiny and other factors will inevitably result in some variances between estimated costs at the published RIA stage and actual costs during implementation. In accordance with the commitment given to the Finance Committee, a year on year table showing the cost of legislation falling to the Welsh Government was provided at Annex F of the departmental budget proposals published on 16 December.

ANNEX A

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MAIN EXPENDITURE GROUP (MEG)				
RESOURCE BUDGET		£000s		
Action	BEL	2019-20 1st Supplementary Budget	Changes	New Plans 2020-21 Draft Budget
Funding Support for Local Government	Local Govt General Revenue Funding (RSG & NDR)	3,272,384	126,763	3,399,147
	City & Growth Deals	10,000		10,000
	Police General Revenue Funding	90,350	- 3,750	86,600
	Non-Domestic Rates: Rates Relief	30,100	-2400	27,700
	Local Govt PFI Revenue Consequences	3,256	-132	3,124
	Transformation & Legislation	6,200	2,657	8,857
	Non-Domestic Rates: Collection Costs	5,172		5,172
	Emergency Financial Assistance Scheme	1		1
Total Funding Support for Local Government		3,417,463	123,138	3,540,601
Valuation Services	Valuation Office Agency Services	8,561		8,561
	Valuation Tribunal for Wales	1,039		1,039
	Local Taxation Research & Analysis	100		100
Total Valuation Services		9,700	0	9,700
Building Local Democracy	Sponsorship of the Local Democracy and Boundary Commission for Wales	598		598
	Expenditure to promote local democracy	126		126
Total Building Local Democracy		724	0	724
Local Government Improvement	Improvement & Support*	850	-500	350
Total Local Government Improvement		850	-500	350

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*Previously 'Improvement & Audit'

Action	BEL	2019-20 1st Supplementary Budget	Changes	New Plans 2020-21 Draft Budget
Academi Wales	Academi Wales	1,134		1,134
Total Academi		1,134	0	1,134
Supporting Collaboration and Reform	Community and Town Councils	144		144
	Public Services Boards	530		530
Total Supporting Collaboration and Reform		674	0	674
Early Intervention, Prevention and Support	Supporting Communities	578	-95	483
	Children and Communities Grant	135,442		135,442
	Housing Support Grant	126,763		126,763
Total Early Intervention, Prevention and Support		262,783	-95	262,688
Financial Inclusion and Third Sector	Financial Inclusion	12,202	1,000	13,202
	Support for the Voluntary Sector and Volunteering	1,250		1,250
Total Financial Inclusion and Third Sector		13,452	1,000	14,452
Fire and Rescue Services and Resilience	Fire & Rescue Services	10,415	10	10,425
	Fire & Rescue Services - Communication Systems	1,765		1,765
	Community Fire Safety	848		848
Total Fire and Rescue Services and Resilience		13,028	10	13,038
Homelessness Prevention	Homelessness	17,907		17,907
Homelessness Prevention		17,907	0	17,907
Housing Policy**	Housing Policy**	4,884	545	5,429
Total Homelessness Prevention		4,884	545	5,429
Increase the Supply and Choice of Affordable Housing	Housing Finance Grant	13,100		13,100
Total Increase the Supply and Choice of Affordable Housing		13,100	0	13,100
Housing Revenue Funding	Housing Programme Revenue Funding	1,073		1,073
Total Housing Revenue Funding		1,073	0	1,073
Regeneration	Regeneration	620	-60	560
	Cardiff Harbour Authority	5,400		5,400
Total Regeneration		6,020	-60	5,960
EXTRACTS FROM HOUSING AND LOCAL GOVERNMENT MEG - TOTAL RESOURCE BUDGET		3,762,792	124,038	3,886,830

** Previously 'Independent Living'

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MAIN EXPENDITURE GROUP (MEG)					
CAPITAL BUDGET					£000's
Action	BEL	2019-20 1st Supplementary Budget	Plans as per 2019-20 Final Budget	Changes	2020-21 New Plans Draft Budget
Local Government General Capital Funding	Local Govt General Capital Funding	212,837	182,837	15,000	197,837
Total Local Government General Capital Funding		212,837	182,837	15,000	197,837
Community Facilities	Community Facilities Programme	0	4,838	-4,838	0
		0	4,838	-4,838	0
Financial Inclusion and Third Sector	Financial Inclusion	500	-5	0	-5
Total Financial Inclusion and Third Sector		500	-5	0	-5
Fire and Rescue Services and Resilience	Fire & Rescue Services	1,000	1,210	-210	1,000
	Fire & Rescue Services - Communication Systems	410	0	210	210
	Community Fire Safety	670	670		670
Total Community Support Officers		2,080	1,880	0	1,880
Housing Policy*	Rapid Response Adaption Programme	5,660	5,660		5,660
Total Housing Policy		5,660	5,660	0	5,660
Integrated Care Fund	Integrated Care Fund	35,000	40,000	2,000	42,000
Total Integrated Care Fund		35,000	40,000	2,000	42,000
Achieve Quality Housing	Major Repairs Allowance and Dowry Gap Funding	108,000	108,000		108,000
Total Achieve Quality Housing		108,000	108,000	0	108,000
Increase the Supply and Choice of Affordable Housing	Social Housing Grants (SHG)	188,219	90,147	133,072	223,219
	Land for Housing	10,000	10,000		10,000
Total Increase the Supply and Choice of Affordable Housing		198,219	100,147	133,072	233,219
Increase the Supply and Choice of Market Housing	Help to Buy Wales Fund and Other Schemes	62,137	33,510	35,000	68,510
Total Increase the Supply and Choice of Market Housing		62,137	33,510	35,000	68,510
Regeneration	Regeneration	28,662	36,808	15,000	51,808
Total Regeneration		28,662	36,808	15,000	51,808
EXTRACT FROM HOUSING AND LOCAL GOVERNMENT MEG - TOTAL CAPITAL BUDGET		653,095	513,675	195,234	708,909

*Previously 'Independent Living'

EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MAIN EXPENDITURE GROUP (MEG)				
RESOURCE BUDGET		£000s		
Action	BEL	2019-20 1st Supplementary Budget	Changes	New Plans 2020-21 Draft Budget
Violence against Women, Domestic Abuse and Sexual Violence	Violence against Women, Domestic Abuse and Sexual Violence	5,000	250	5,250
Total Violence against Womedn, Domestic Abuse and Sexual Violence		5,000	250	5,250
Equality and Inclusion	Community Cohesion	1,560	40	1,600
	Equality and Prosperity	2,701	3065	5,766
Total Equality and Inclusion		4,261	3,105	7,366
Advocacy Services	Advocacy Services	8,901		8,901
Total Advocacy Servises		8,901	0	8,901
Support for the Voluntary Sector	Support for the Voluntary Sector and Volunteering	6,230	395	6,625
Total Support for the Voluntary Sector		6,230	395	6,625
Community Support Officers	Community Support Officers	16,787		16,787
Total Community Support Officers		16,787	0	16,787
Female Offending and Youth Justice Blueprints	Female Offending and Youth Justice Blueprints	0	575	575
Total Female Offending and Youth Justice Blueprints		0	575	575
External Bodies & Services	Chwarae Teg	360		360
Total External Bodies & Services		360	0	360
EXTRACT FROM CENTRAL SERVICES & ADMINISTRATION MEG - TOTAL REVENUE BUDGET		41,539	4,325	45,864

EXTRACT FROM CENTRAL SERVICES AND ADMINISTRATION MAIN EXPENDITURE GROUP (MEG)					
CAPITAL BUDGET					£000's
Action	BEL	2019-20 1st Supplementary Budget	Plans as per 2019-20 Final Budget	Changes	2020-21 New Plans Draft Budget
Violence against Womed, Domestic Abuse and Sexual Violence	Violence against Womedn, Domestic Abuse and Sexual Violence	969	969	1,200	2,169
Total Violence against Womedn, Domestic Abuse and Sexual Violence		969	969	1,200	2,169
Gypsy Traveller Sites	Gypsy Traveller Sites	8,300	5,000		5,000
		8,300	5,000	0	5,000
Community Facilities Programme*	Community Facilities Programme*	5,034		5,838	5,838
Total Financial Inclusion and Third Sector		5,034	0	5,838	5,838
EXTRACT FROM CENTRAL SERVICES & ADMINISTRATION MEG - TOTAL CAPITAL BUDGET		14,303	5,969	7,038	13,007

*Budget was transferred in to CSA to align with Ministerial portfolio at 1st supp, was not included in the baseline at Draft Budget.

EXTRACT FROM HOUSING AND LOCAL GOVERNMENT AND CENTRAL SERVICES AND ADMINISTRATION MAIN EXPENDITURE GROUP(MEG)					
FINANCIAL TRANSACTIONS			£000's		
Action	BEL	Financial Transactions	Plans as per 2019-20 Final Budget	Changes	2020-21 New Plans Draft Budget
Financial Inclusion and Third Sector	Financial Inclusion	Credit Unions	-5	0	-5
Total Financial Inclusion and Third Sector			-5	0	-5
Integrated Care Fund	Integrated Care Fund	Clych Caron Integrated Rescue Centre	0	2,000	2,000
Total Integrated Care Fund			0	2,000	2,000
Increase the Supply and Choice of Affordable Housing	Social Housing Grants (SHG)	Building with Modular and Housing Loans	0	60,000	60,000
	Land for Housing	Land for Housing	10,000	0	10,000
Total Increase the Supply and Choice of Affordable Housing			10,000	60,000	70,000
Increase the Supply and Choice of Market Housing	Help to Buy Wales Fund and Other Schemes	Help to Buy	33,510	35,000	68,510
Total Increase the Supply and Choice of Market Housing			33,510	35,000	68,510
Regeneration	Regeneration	Town Centre Loans	0	10,000	10,000
Total Regeneration			0	10,000	10,000
Community Facilities Programme	Community Facilities Programme	Community Asset Loan Fund	0	1,000	1,000
			0	1,000	1,000
EXTRACT FROM HOUSING AND LOCAL GOVERNMENT & CENTRAL SERVICES AND ADMINISTRATION MEG			43,505	108,000	151,505

WLGA Briefing

Welsh Government Draft Budget And Provisional LGF Settlement 2020-21



Leaders, Finance Cabinet Members, Chief Executives and
Directors of Finance (inc FRS and NPAs)

16 December 2019

Jon Rae

Summary

Earlier this afternoon the Welsh Government published its [draft budget](#). The **budget¹ will increase by £953m (5.7%)**. Day-to-day spending will increase by **£608m (4.1%)** and spending on capital will increase by **£345m (17.4%)**. There are **no indicative revenue figures for future years**, but we expect a new UK Government to launch a Spending Review in the new year.

The Minister for Housing and Local Government has also published the provisional local government finance settlement. There is an **increase in the revenue settlement (Aggregate External Finance) which is 4.3% higher than 2019-20 on a like-for-like basis**. The Welsh Government have increased AEF by £184m.

Over the summer we estimated local government's **spending pressures at around £254m for 2020-21, and within that workforce pressures estimated at £177m**. It is clear that a substantial proportion of pressures have been funded but there will be local variations to what is an all-Wales aggregate picture.

The announcement is unusual in that it has been made in recess. The Minister for Finance & Trefnydd will make a statement to the National Assembly on the **on 6 January 2020**. The National Assembly will then scrutinise portfolio plans in the respective policy committees over January and February.

¹ This is spend within Departmental Expenditure Limits (DEL) so excludes Annually Managed Expenditure (AME)

The Welsh Government's Draft Budget

Overall the Welsh Government's Total Managed Expenditure will be close to £20bn in 2020-21. Within that definition is the Departmental Expenditure Limit (DEL) which is the element of the budget under direct Ministerial control.

The capital and revenue DEL will increase by £953m (5.7%) to £17.4bn. Day-to-day spending will increase by £608m (4.1%) to £15.4bn and spending on capital will increase by £345m (17.4%) to £2.3bn.

Figure 1: Changes to Welsh Government Departmental Expenditure Limit (DEL) 19-20 to 20-21

Resource and Capital (Excluding AME)	Resource		Capital		Total	
	£000s	%	£000s	%	£000s	%
Health and Social Services	365,398	4.6%	1,392	0.4%	366,790	4.4%
Housing and Local Government	126,233	3.3%	58,314	8.6%	184,547	4.1%
Economy and Transport	22,690	3.2%	204,559	35.2%	227,249	17.6%
Education	55,937	3.7%	- 735	-0.3%	55,202	3.2%
International Relations and the Welsh Language	5,263	3.3%	34,030	224.1%	39,293	22.2%
Environment, Energy and Rural Affairs	5,391	2.6%	43,931	50.5%	49,322	16.5%
Central Services and Administration	27,374	8.3%	3,448	13.1%	30,822	8.7%
Total Resource and Capital (Excluding AME)	608,286	4.1%	344,939	17.4%	953,225	5.7%

The increases in the revenue and capital DEL across ministerial portfolios are set out in Figure 1. Revenue DEL for Housing and Local Government increases by 3.3%. Business rates lies outside the DEL definition as part of Annually Managed Expenditure (AME). It increases by £75m (7.1%) to £1.14bn.

Local Government Settlement

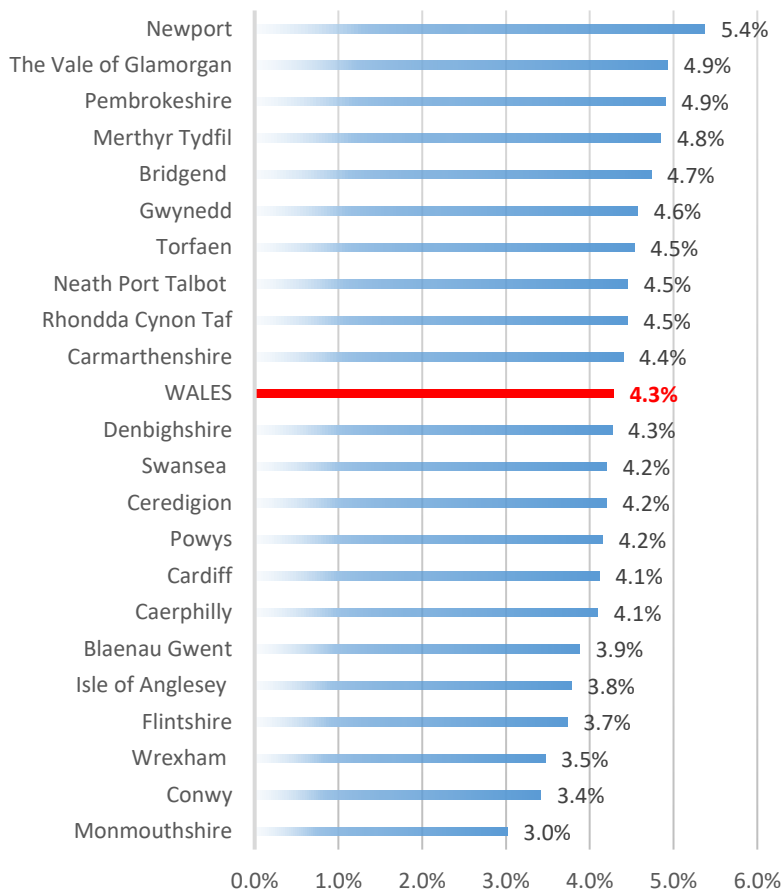
The announcement today is confirmed in the traditional [letter](#) to Leaders. There is an increase in Aggregate External Finance (AEF) of £184m or 4.3% on like-for-like basis.

Figure 2 below shows an inevitable range around of the average driven by the funding formula. This is largely a reflection of movements in a number of datasets derived from the schools' census and financial data. The reversion to the use of the mid-year population estimates has also impacted.

The lowest increase is Monmouthshire with 3% and the highest is Newport with an increase of 5.4%.

There is no floor protection and the Minister has set out her rationale in her letter.

Figure 2: Changes to AEF, 2018-19 to 2019-20 by local authority



Source: WG Provisional LGF Settlement 2019-20

The increase is on top of **4 transfers into the settlement:**

- £39.112m for the teachers' pensions grant (the 7/12s element)
- £12.018m for the teachers' pay grant (the 7/12s element)
- £1.9m for NHS funded nursing care
- £151k for the Coastal Risk Management Programme

You would have to go back to 2007-08 to find a settlement with a similar significant increase.

Specific Revenue Grants

On a like-for-like basis specific revenue grants **will increase from £971m to £982m** which is a slight increase of about 1%. While many of the grants remain unchanged from the 2019-20 figure, there is a significant decrease in the Sustainable Waste Management grant. The £7.5m grant that contributed to teachers' pay for the 2018-19 pay award comes to an end as it was a 'time-limited' arrangement.

There are increases in several grant schemes, some of the more significant include:

- Regional Consortia and School Improvement Grant £154m
- Pupil Development Grant £101m
- PDG Access Grant £8m
- Residual Waste Gate Fee Support £13m
- Childcare Offer £56m
- Social Care Workforce and Sustainability Grant £40m

Details of around 80 revenue grants are set out in [table 7 in the suite of settlement tables](#).

General Capital Funding (GCF) and Capital Grants

Overall Capital Funding (both GCF and Capital Grants) will increase from **£532m to £646m on a like-for-like basis**. The £113m represents a 21% increase.

General Capital Funding (GCF) increases **from £173m to £178m**. This is a 3% increase year on year increase (but actually a £15m increase over original plans). **Capital Grants are set to increase by £108m which is a 30% increase.**

Details of the capital funding and capital grants are set in [table 2b in the suite of settlement tables](#).

Also appended:

[Link to Welsh Government Draft Budget 20-21](#)

[Link to Provisional LG Settlement 20-21](#)

Annex I: WLGA's response to Provisional LGF Settlement

DATGANIAD I'R WASG WLGA PRESS RELEASE

Dydd Llun 16 Rhagfyr 2019 / Monday 16
December 2019

*Sgroliwch i lawr am y Saesneg / Please
scroll down for English*



Cynnydd ariannol sylweddol cyntaf mewn 12 mlynedd yn cael ei groesawu gan CLILC

Mae CLILC heddiw wedi croesawu setliad "cadarnhaol" ar gyfer cynghorau y flwyddyn nesaf a fydd yn gweld cynghorau yn derbyn y cynnydd mwyaf mewn 12 mlynedd o ran cyllid craidd.

Bydd cynghorau yn derbyn hwb o 4.3% yn y cyllid sy'n cael ei ddyrannu iddyn nhw'n flynyddol gan Lywodraeth Cymru i helpu i gynnal gwasanaethau lleol. Mae cyllid cyfalaf ychwanegol hefyd wedi cael ei neilltuo ar gyfer buddsoddiad mewn isadeiledd.

Ers cychwyn y cynni ariannol yn 2010, mae gwasanaethau lleol wedi ysgwyddo dros £1bn o doriadau sy'n golygu bod cynghorau wedi gorfod blaenoriaethu'n ofalus a gwneud penderfyniadau anodd iawn. Er bod setliad y flwyddyn nesaf yn ryddhad i awdurdodau lleol, mae'r rhagolwg o ran cyllid yn parhau i fod yn heriol. Bydd yn rhaid i gynghorau barhau i wneud penderfyniadau anodd i flaenoriaethu gwasanaethau, gan gynnwys cynyddu'r dreth gyngor i gwrdd a'r diffyg ariannol.

Dywedodd y Cynghorydd Andrew Morgan (Rhondda Cynon Taf), Arweinydd CLILC ac Arweinydd y Grŵp Llafur:

"Fel Arweinydd newydd CLILC, rwy'n croesawu'r setliad eithriadol o dda yma. Rydyn ni'n hapus fod ein ymgysylltu cadarnhaol gyda Llywodraeth Cymru wedi talu ar ei ganfed ar gyfer ein gwasanaethau, ein gweithlu ac ein trigolion. Trwy gydol y flwyddyn, rydyn ni wedi bod yn cwrdd â nifer o Weinidogion sydd wedi gwrandao'n ofalus ar yr hyn oedd gennym ni i ddweud ac yn cydnabod yr effaith ddinistriol mae cynni wedi ei gael ar wasanaethau lleol a gweithwyr rheng flaen.

“Hoffwn i ddiolch i’r Gweinidog dros Dai a Llywodraeth Leol, Julie James, Gweinidog Cyllid a Threfnydd, Rebecca Evans, a’r Prif Weinidog Mark Drakeford. Mae nhw wedi dangos ymrwymiad amlwg i lywodraeth leol. Mae gwasanaethau lleol yn hanfodol i gadw pobl yn iach ac i ffwrdd o ystafelloedd aros ein hysbytai, a mae’n hollbwysig eu bod nhw’n derbyn y cyllid sydd ei angen arnyn nhw.”

Dywedodd y Cyngorydd Anthony Hunt (Torfaen), Llefarydd CLILC dros Gyllid:

“Mae llywodraeth leol yn rhannu’r un blaenoriaethau â Llywodraeth Cymru. Bydd arweinwyr ledled Cymru yn gwneud popeth o fewn eu gallu i sicrhau bod cyllid yn cael ei gyfeirio i’n hysgolion i wella cyflawniadau addysgol, ac i ofal cymdeithasol i sicrhau bod y rhai mwyaf bregus yn ein cymdeithas yn derbyn y gofal y mae nhw ei angen.

“Trwy gydol y cynni ariannol, mae cynghorau wedi rheoli eu cyllidebau’n ofalus, gan wneud arbedion effeithlonrwydd bob blwyddyn. Wedi degawd o doriadau dwfn a dinistriol, roedden ni’n brysur agosáu at gyrraedd y pen. Rwy’n gobeithio fod y setliad yma’n nodi cychwyn siwrnai hollol wahanol.”

Dywedodd y Cyngorydd Peter Fox OBE (Sir Fynwy), Arweinydd Grŵp Ceidwadol CLILC:

“Rwyf wedi fy siomi gyda’r setliad yma. Rhoddodd Lywodraeth y DU ddigon o gyllid i Lywodraeth Cymru i wneud lawer gwaith gwell na hyn, a mae nhw unwaith eto wedi methu llywodraeth leol yng Nghymru. Ymhellach, rydyn ni’n gweld gwahaniaethau mawr yn y cyllid sy’n cael ei dderbyn gan rai cynghorau o gymharu ag eraill. Mae gwahaniaeth o rhwng 3% a 5.4% yn hurt y dyddiau yma. Rhaid gwneud rhywbeth i fynd i’r afael â’r amrywiad yma.”

Dywedodd y Cyngorydd Emlyn Dole (Sir Gaerfyrddin), Arweinydd Grŵp Plaid Cymru CLILC:

“Mae’r setliad cadarnhaol heddiw yn cydnabod yr heriau a wynebir gan gyllidebau awdurdodau lleol o ran pwyseddau’r gweithlu a demograffig. Mae’r £184m ychwanegol yn gynnydd i’w groesawu wedi blynyddoedd o ostyngiadau mewn termau real. Ond nid yw’n cwrdd â’r holl bwyseddau a bydd awdurdodau lleol yn dal i wynebu penderfyniadau anodd, a bydd angen ystyried yn ofalus sut y bydd y dreth gyngor yn pontio’r bylchau mewn cyllidebau.”

“Ni fydd yn dadwneud y £1bn o doriadau sydd wedi ei dynnu o goffrau llywodraeth leol ers 2009-10, ond rwy’n gobeithio ei fod yn cychwyn ar batrwm gwahanol. Rydyn ni wedi colli tua 37,000 o swyddi o fewn llywodraeth leol ers 2009-10, sydd yn cynnwys athrawon a swyddogion rheng flaen. Does yr un arweinydd yn camu i’r byd gwleidyddol i wneud penderfyniadau o’r fath. Gyda’r cyllid sydd nawr ar gael,

gallwn ni ddechrau amddiffyn ein gwasanaethau craidd, yn enwedig ysgolion a gwasanaethau gofal.”

Y Cynghorydd Hugh Evans OBE (Sir Ddinbych), Arweinydd Grŵp Annibynnol CLILC:

“Dyma’r setliad gorau y mae llywodraeth leol wedi ei weld ers 2007-08, ac yn nodi cam i gyfeiriad gwahanol o ran y cyllid grant y mae llywodraeth leol yn ei dderbyn. Er mwyn gallu cynllunio’n well i’r dyfodol ac i roi mwy o sicrwydd i’n trigolion, mae cynghorau angen fframwaith cyllidebol aml-flwyddyn fwy cadarn fel ein bod ni’n gallu delio ag atal ac ymyrraeth gynnar mewn cyd-destun fwy hir dymor.”

“Bydd Adolygiad Gwariant y flwyddyn nesaf yn cynnig cyfle i wynebu hynny a rwy’n edrych ymlaen i drafodaethau gyda Llywodraeth Cymru o ran mwy o hyblygrwydd fel ein bod ni’n gallu canfod atebion cynaliadwy hir-dymor i gyllid lleol. Rwy hefyd yn pryderu am sut y mae’r setliad yn amrywio ar draws yr awdurdodau, a byddaf yn edrych i ganfod sut y gallwn ni ddatrys hynny.”

-DIWEDD-

First significant funding increase in 12 years welcomed by WLGA

WLGA has today welcomed a “positive” settlement for councils next year which will see councils receive the first significant increase in their core grant funding in over 12 years.

Councils will get a 4.3% boost in the block funding which is annually allocated to them by Welsh Government to help maintain local services. Extra capital funding has also been made available for investment in infrastructure.

Local services have shouldered cuts of over £1bn since the onset of austerity in 2010, meaning that councils have had to carefully prioritise and take extremely difficult decisions. Although next year’s settlement provides some breathing space for local authorities, the financial outlook remains very challenging. Councils will have to continue to make tough decisions to prioritise services, including council tax increases to help meet the funding shortfall.

Councillor Andrew Morgan (Rhondda Cynon Taf), WLGA Leader and Labour Group Leader said:

“As the new Leader of the WLGA I welcome this exceptionally good finance settlement. I am pleased that our positive engagement with the Welsh Government has paid dividends for our services, for our workforce, and for our

residents. Throughout this year we have met with a number of Ministers who have listened carefully to what we had to say and have recognised the damaging effect that austerity has had on local services and frontline workers.

“I would like to personally thank the Minister for Housing and Local Government, Julie James, the Minister for Finance and Trefnydd, Rebecca Evans, and the First Minister, Mark Drakeford. They have clearly shown a commitment to local government. Vital local services are essential to prevent keep people well and out of hospital waiting rooms, and it is crucial that those services receive the funding that they need.”

Councillor Anthony Hunt (Torfaen), WLGA Finance Spokesperson said:

“Local government shares the same priorities with Welsh Government. Leaders across Wales will be doing everything in their power to ensure that funding is directed towards schools to improve education outcomes, and towards social care to ensure the most vulnerable in our communities receive the care they deserve.

“Councils have carefully managed their budgets throughout austerity, making efficiency savings year after year. After a decade of deep and damaging cuts, we were rapidly reaching breaking point. I hope this settlement marks the start of a completely different journey”

Councillor Peter Fox (Monmouthshire), WLGA Conservative Group Leader said:

“I am disappointed with this settlement. The UK Government gave sufficient resource to the Welsh Government to do significantly better than this and they have failed local government in Wales again. Furthermore, we yet again see massive distortions in the funding received by some councils in comparison to others. A differential between 3% and 5.4% is ridiculous in current times. Something needs to be done to address this variation.”

Councillor Emlyn Dole (Carmarthenshire), WLGA Plaid Cymru Group Leader said:

“The positive settlement today recognises the challenges faced by local authority budgets in terms of workforce and demographic pressures. The additional £184m is a welcome increase after years of real terms reductions. It does not cover all the pressures and local authorities will still be faced with tough decisions and will need to carefully consider how council tax will bridge remaining gaps in budgets.

“It will not completely reverse the £1bn that has been taken from core funding since 2009-10, but I hope that this is the beginning of a different trend. We have lost around 37,000 jobs in local government since 2009-10 which includes teachers and other frontline officers. No leader comes into politics to make these kinds of

decisions. With the funding that has now been made available we can start to protect our core services especially schools and social services.”

Councillor Hugh Evans OBE (Denbighshire), WLGA Independent Group Leader said:

“This is the best settlement local government has seen since 2007-2008 and marks a step change in the grant funding that local government receives. To properly plan for the future and to give our residents more certainty, councils need a more robust multiyear financial framework so that we can properly address prevention and early intervention in a longer-term context.

“Next year’s Spending Review will offer an opportunity to address that and I look forward to discussions with Welsh Government around more flexibilities so that we can find sustainable long-term solutions to local finances. I am also concerned about the variation across all local authorities and will be looking to find ways in which this can be addressed.”

-ENDS-

A Briefing for Assembly Members

How the Welsh Government draft budget 2020-21 is taking account of the Well-being of Future Generations Act

December 2019



Comisiynydd
Cenedlaethau'r
Dyfodol
Cymru

**Future
Generations**
Commissioner
for Wales

Summary

The Welsh Government budget is the single biggest decision (or set of decisions) that is taken by a public body in Wales each year. As well as determining how public services are funded, the budget process and specific decisions send important signals about priorities across our public services and whether those priorities are shifting in line with the aspirations set out in the Well-being of Future Generations Act (WFG Act).

As the budget is such an important set of decisions for the future of Wales, I monitor and assess the draft budget each year and provide evidence to the National Assembly for Wales Finance Committee.

This year my focus is on:

DECARBONISATION - How is the Welsh Government meeting the declaration of a Climate Emergency through budget decisions and allocations?

PREVENTION - How is the Welsh Government using the definition of prevention to embed preventative approaches through budget decisions and allocations?

Through engagement with National Assembly for Wales Committee staff, it is clear that these topics are of interest to Members across different Committees. This briefing therefore provides an overview of:

- My expectations of how the budget should be changing in relation to decarbonisation and prevention;
- My views on the progress from Welsh Government, including a high level assessment of commitments in the draft budget narrative published on 16 December;
- Questions that Members could consider exploring further in relation to decarbonisation and prevention, as part of budget scrutiny.



 SOPHIE HOWE
**Future Generations
Commissioner for Wales**

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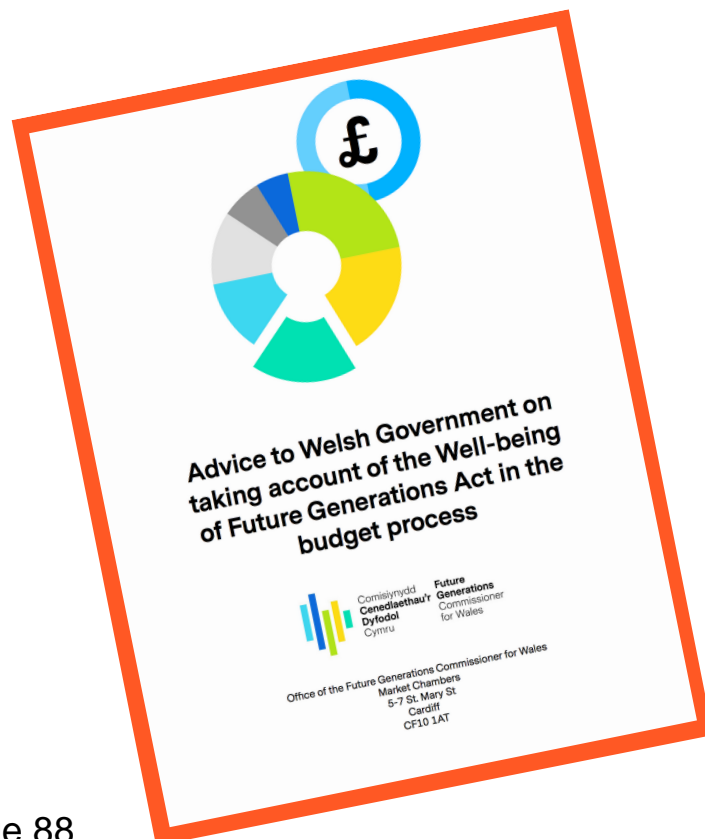
01	1) Investing in the Climate Emergency
06	2) Investing in preventative approaches
11	3) Assessing year-on-year progress in the budget
14	4) Taking further steps to a longer term approach

These sections are based upon the recommendations included in the advice *Advice to Welsh Government on taking account of the Well-being of Future Generations Act in the budget process*, which I published in December 2018.

▶ This can be accessed at <https://futuregenerations.wales/wp-content/uploads/2018/12/2018-11-29-FGC-Budget-Recommendations-ENG.pdf>

Within this briefing you will find references to recommendations:

- Recommendations issued by the Future Generations Commissioner for Wales are highlighted in **orange**.
- Recommendations issued by Assembly Committees, which support our recommendations can be found in **blue**.



Section 1

Investing in the Climate Emergency

Based on my scrutiny of the budget last year, my advice included two recommendations for Welsh Government to ensure that investment in decarbonisation reflects ambition:

Recommendation: Welsh Government clearly articulate how the actions set out in the Low Carbon Delivery Plan will be funded in order for us to meet our statutory emission reduction targets.

Recommendation: Welsh Government considers and sets out the level of cross Government investment needed to meet our targets, particularly in relation to: i. Transport; ii. Housing / buildings; iii. The transition to a low carbon Wales.

On the 21 March 2019 Welsh Government published its first Low Carbon Plan - “Prosperity for All: A Low Carbon Wales”.

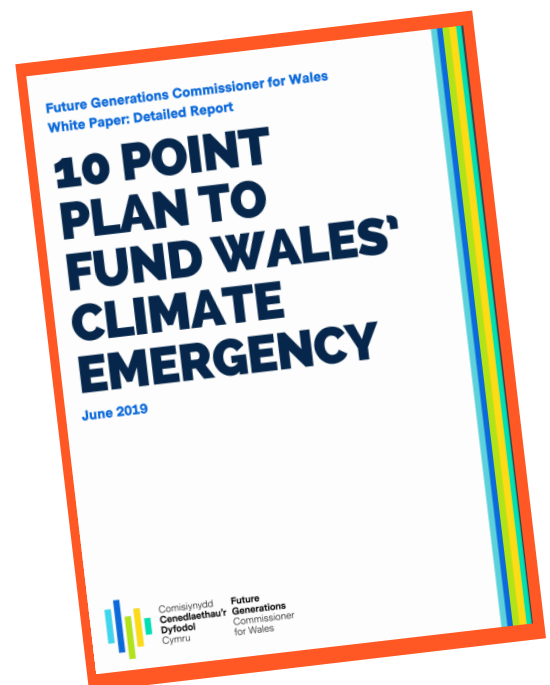
On the 29 April Welsh Government and the National Assembly for Wales declared a Climate Emergency, and in May the UK Committee on Climate Change published its advice to UK Governments on achieving Net Zero by 2050.

▶ This can be accessed at:
<https://futuregenerations.wales/wp-content/uploads/2019/06/10-Point-Plan-to-Fund-Wales-Climate-Emergency-Detailed-Report.pdf>

In June I published a Ten Point Plan to fund Wales’ Climate Emergency which includes proposals for increasing investment in key areas including sustainable transport, low/zero carbon buildings and homes, renewable energy, land and nature-based solutions.

Although it’s difficult to calculate the exact amount of funding needed, we know that responding to the climate emergency will require a much greater level of investment across the board.

My Plan recommends a total allocation of £991 million to support decarbonisation in the Welsh Government budget for 2020-21 which is in line with the UK Committee on Climate Change (UKCCC) estimates of around £30 billion over the period to 2050 (or 1-2% of GDP).



My view on progress from Welsh Government

“For a more structural and longer-term approach, the Ten Point Plan issued by the [...] Future Generations Commissioner sets out an approach to be considered and used as guidance...”

► Extinction Rebellion Cymru
- Response to Finance Committee
consultation, September 2019

Over the last 3 months I have requested information from Ministers, and detailed responses to the following questions:

1. Building on the actions set out in the Low Carbon Delivery Plan, what are the key opportunities for decarbonising investment in relation to your portfolio and how do these relate to revenue and capital spend?
2. What is your assessment of the allocations identified in my 10 Point Plan, and if you disagree with the suggestions what are your proposals?
3. How are you assessing how much you are spending overall on decarbonisation actions, and do you have a method for classifying decarbonisation spend?
4. On the basis of the points above, what specific changes will there be in the 2020-21 draft budget?

I have had several conversations with Government Ministers and officials: whilst engagement has been positive, and they have been broadly supportive, discussions and responses to date have lacked detail referring to pockets of funding for activities but no evidence of systemic or transformational change.

Other findings include:

- There appears to be a disconnect between policy commitments that have been made (for example in Low Carbon Wales) and budget allocations.
- The declaration of a climate emergency doesn't appear to be reflected in discussions about budget process and allocations, often referring to challenges and constraints.
- There appears to be no evidence that Welsh Government has a clear process to classify or assess how much they are currently spending (or need to spend) on decarbonisation actions to deliver the statutory carbon budgets or targets.
- There is no consistent approach to undertaking Carbon impact assessments (CIAs) for major infrastructure projects, it is not clear how the carbon impact is informing decisions (on projects or funding) and there is no central collation of the CIAs across Government.
- For example although the recent Wales Infrastructure Investment Plan (WIIP) pipeline update 2019 mentions additional investment of £14.5 million for active travel, it isn't clear how overall the WIIP update is prioritising measures to address the climate emergency with 64% of Welsh Government's transport budget currently allocated to building roads.

My view on progress from Welsh Government

I have challenged Government about how they understand the extent to which decisions are 'decarbonising' – i.e. understanding the current carbon impact of investment decisions and the decarbonisation impact and potential of future decisions. It is clear that Government have no consistent approach to do this at the moment, and they have asked me to resource this work.

I have focused on transport as a key area that Welsh Government can make progress, particularly as progress in reducing transport sector emissions are behind our target. During discussions with Government we identified several challenges and constraints in this area, mainly due to the majority of capital funding already being committed for 2020/21, responsibility for rail infrastructure not devolved to Wales, and there being limited scope for current funding allocations to change significantly. It seems clear that the Government's current focus is on decarbonising road transport and not on the potential for public transport and active travel to achieve significant modal shift.

Our findings are supported by the Climate Change, Environment and Rural Affairs Committee '[Annual Report on the Welsh Government's progress on climate change, 2019-20](#)' recommendations (published 18 December 2019) which include:

Recommendation 6. The Welsh Government's draft Budget should explain and demonstrate clearly how funding allocations will support the decarbonisation priority.

Recommendation 10. The Welsh Government should include an assessment of the costs, benefits and impact on decarbonisation of each policy and proposal included in the next iteration of its decarbonisation plan.

Recommendation 11. The Welsh Government should introduce a mechanism, such as a carbon impact assessment, to report to the Assembly any policy decisions that will result in a significant increase in carbon output.

▶ The full report can be seen at <https://www.assembly.wales/laid%20documents/cr-ld12934/cr-ld12934%20-e.pdf>

My view on progress from Welsh Government

Feedback on Draft Budget

Within the Draft Budget, [I welcome the £59 million \(37%\) increase in total spending on sustainable travel](#) with an allocation of £219 million in 2020/21 for concessionary fares, bus support, smart cards, youth discounted travel schemes, local transport priorities and sustainable and active travel. This will encourage decarbonisation of transport and greater levels of physical activity.

I also welcome the announcement of £140 million in new capital funding for climate and environment – this takes the [total capital spending specifically on climate and environment over the 5% threshold](#). Alongside investments of £30 million in electric vehicle infrastructure, low emission vehicles and in new metro systems (for North Wales), and continued funding in the new rail franchise this demonstrates the Government’s dedication to investing in proactive solutions to the climate crisis.

Whilst I welcome the [rise in capital investment in active travel, public transport, and electric vehicle infrastructure by £80 million](#), this appears to have been met by a similarly significant rise in capital investment in new roads. As such the proportion of capital spent on active and public transport is still slightly below the 60% level recommended in my 10 Point Plan. The £140 million package also includes £25 million capital funding to extend the Innovative Housing Programme, £8.2 million for a carbon neutral house project within Coleg Y Cymoedd and funding to address our nature crisis, although these allocations fall short of what I recommended in my Plan.

However whilst the budget has targeted investment at measures “which current evidence supports as being the areas where Welsh Government can have the greatest impact to deliver our first carbon budget” [it remains the case that there is no holistic impact assessment of the net carbon impact of the budget and there is no detailed evidence to show how they have prioritised spending decisions accordingly](#). This means the Government cannot tell us whether the way in which they are spending their money is leading to an increase or decrease in carbon emissions. As a result, despite efforts to invest in sustainable travel, we are concerned that the Government’s other capital investments, such as in roads, may be undermining its carbon reduction progress.

I call on the Government, from now on, to forensically analyse every aspect of its expenditure, especially capital spend, in terms of carbon impact and publish details on the overall carbon impact of their budget.

Questions that Members could consider asking as part of scrutiny of the draft budget for 2020/21

1) Overall approach to investing in the Climate Emergency

- What key changes will there be in the 2020-21 draft budget to reflect the declaration of a climate emergency?
- What are the key budget allocations that demonstrate Welsh Government is serious about taking action on the climate emergency?

2) Understanding the carbon impact of budget allocations

- How are you assessing current spend on decarbonisation and what allocations are required over the next 5, 10, 20 years to achieve our statutory targets?
- How are you assessing the carbon impact of major investment decisions to ensure capital spend is line with emission reduction targets?

3) Decarbonising transport

- Will current budget allocations ensure we reach the target* for transport sector emissions when we're currently not on target?
- How are you assessing the carbon impact of major investment decisions to ensure capital spend is line with emission reduction targets?
- Is spending 63% of the transport capital budget on roads compatible with the climate emergency declaration?

4) Decarbonising housing

- Since the publication of the “Decarbonising Homes” report in July what progress has been made to secure funding for retrofitting Wales’ homes and what commitments are there in the 2020-21 budget?

* Transport sector emissions have reduced by 3% since 1990; the targets are a 14% reduction by 2020 and a 43% reduction by 2030 compared to the 1990 baseline.

Section 2

Investing in preventative approaches

Prevention is one of the five ways of working set out in the Well-being of Future Generations Act, and it is important that there is a shift in investment from reactive to preventative approaches, to stop problems from occurring as well as stopping them from getting worse.

Last year I welcomed the definition of prevention included in the budget narrative.

Prevention is working in partnership to co-produce the best outcomes possible, utilising the strengths and assets people and places have to contribute. Breaking down into four levels, each level can reduce demand for the next:

- Primary prevention (PP) – Building resilience – creating the conditions in which problems do not arise in the future. A universal approach.
- Secondary prevention (SP) – Targeting action towards areas where there is a high risk of a problem occurring. A targeted approach, which cements the principles of progressive universalism*.
- Tertiary prevention (TP) – Intervening once there is a problem, to stop it getting worse and prevent it reoccurring in the future. An intervention approach.
- Acute spending (AS) – Spending, which acts to manage the impact of a strongly negative situation but does little or nothing to prevent problems occurring in the future. A remedial approach.

*progressive universalism is a determination to provide support for all, giving everyone and everything a voice and vested interest, but recognises more support will be required by those people or areas with greater needs.

Source: Welsh Government Draft Budget 2019-20 Detailed proposals

Section 2

Investing in preventative approaches

However, I felt that the application of the definition last year was very limited, so I included four recommendations about prevention in the advice I published for Government in December 2018.

Recommendation: Welsh Government should apply the prevention definition across all spend in a systematic and robust manner, clearly defining what they are trying to prevent and showing a clear line of sight through spending on evidence-based actions across Government. They should consider working with organisations with expertise in this field to ensure their approach is effective.

Recommendation: Welsh Government should consider what a better balance of spend is in relation to primary, secondary and tertiary prevention.

Recommendation: Welsh Government should ask other public services (particularly local government and health boards) to apply the definition of prevention to their spend, to identify the key opportunities for investment in primary and secondary prevention.

Recommendation: Taking on board the recommendations of the Children, Young People and Education Committee, the Welsh Government should consider applying the actions set out in the Mental Health Policy Commission report 'Investing in a Resilient Generation: Keys to a Mentally Prosperous Nation' internally, particularly in relation to which part of Government takes a strategic lead in ensuring there is a whole system approach to prevention.

Finance Committee also made relevant recommendations in their report on last year's budget:

Recommendation 6: The Committee recommends that the Welsh Government considers how any future additional funding for health services can be targeted toward prevention and should also consider establishing partnership arrangements around any such funding.

Recommendation 14: The Committee recommends that the Welsh Government keeps the definition of preventative spend under close and constant review, including active engagement with both stakeholders and this Committee.

Recommendation 15: The Committee recommends that the Welsh Government prioritises an integrated approach across Government with respect to preventative spending, both cross-department, and multi-year

My view on progress from Welsh Government

I have seen limited evidence that Government have tried to apply the prevention definition across spend in systematic and robust manner.

The draft budget narrative includes more references to prevention than previous budgets, particularly in relation to investing in programmes that increase opportunities and tackle poverty.

However the narrative includes very few references to the types of prevention that are being funded – I think this is a missed opportunity for Government departments to collectively understand what they are trying to prevent and the best balance of spend to achieve this.

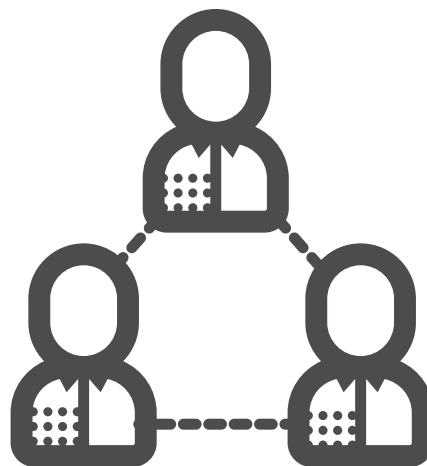
In recognition of the scale of the challenge of embedding preventative approaches, I advised Government to work with organisations with expertise in this field – they have not done so. I have resourced Social Finance to work with Government, particularly in relation to exploring a pilot Social Impact Bond to reduce entry into care for Looked After Children (as set out on p.26 of the budget).

“NHS Wales organisations support an approach to further protect funding for preventative measures that recognise the importance of improving population health outcomes and sustainability of services in the longer term.”

▶ NHS Confederation
- Response to Finance Committee consultation, September 2019

There is little evidence that Government is considering what a better balance of spend is in relation to primary, secondary and tertiary prevention, clearly defining what they are trying to prevent and showing a clear line of sight through spending on evidence-based actions.

I have written twice to Ministers, and met with several Ministers, asking a number of specific questions about how they have applied the prevention definition to their portfolios and the answers I have received have been general examples of how policy areas reflect the WFG Act.



My view on progress from Welsh Government

“...it is difficult to disaggregate preventative expenditure (because there is not yet a common service level definition and early intervention can be exercised across a spectrum of need); but we agree that additional costs/austerity has very probably led to a real terms cut in preventative spending including those areas listed in the Committee’s document.”

▶ Neath Port Talbot Council
Response to Finance Committee consultation, September 2019

There is some evidence that WG is asking other public services to apply definition to their spend – I have seen examples in relation to the NHS and Housing.

However, there is far greater scope for the definition to be meaningfully considered across services, with Local Government being a particular gap.

There is no evidence that WG are considering a ‘whole government’ approach to prevention, which is what I recommended. The section of their ‘budget improvement plan’ on prevention is positive but relies on the Treasury to drive progress – this is not a whole Government approach to embedding preventative approaches.

Prevention of Homelessness

In order to better understand the extent to which conversations are happening across Government in relation to prevention I have focused on the prevention of homelessness.

Whilst I have found that conversations are happening across Government this is not clear in the budget narrative, and these conversations are largely focused in the space of tertiary prevention with little consideration given to collaborative opportunities for primary and secondary prevention. I believe there are further opportunities to align funding and consider whether it is achieving the best outcomes in terms of preventing homelessness. I am working closely with the Homelessness Action Group, chaired by Jon Sparkes from Crisis, on this.

▶ Information about the work of the Homelessness Action Group can be seen at <https://gov.wales/homelessness-action-group>

Questions that Members could consider asking as part of scrutiny of the draft budget for 2020/21

“It was disappointing that when we asked the Cabinet Secretary for specific examples of primary, secondary or tertiary prevention within his budget, he was unable to provide a single example.”



Equality, Communities and Local Government Committee, draft budget scrutiny 2019-20

1) Overall commitment to embedding prevention (focus on outcomes)

- What role does your department play in delivering the overall vision of shifting to preventative approaches, and what contribution are you currently making?
- How do you know you are investing in the programmes that will make the most difference?

2) Understanding the balance of spend in relation to prevention

- How have you used the prevention definition: what assessment have you made of the proportion of your investment that is in primary/secondary/tertiary prevention, or in the acute space?
- Have you made changes to how you invest in prevention for the 2020-21 budget?

3) Encouraging other bodies to use prevention definition

- How are you encouraging other public bodies to use the definition of prevention?

4) Whole Government approach to prevention

- How are you ensuring that a whole Government approach to prevention can be taken with clear leadership and accountability for progress?

Section 3

Assessing year on year progress in the budget

In my advice to Government I emphasised that it needed to be easier for stakeholders to understand what is changing in relation to the budget, and understand what simple changes and more transformational change looks like.

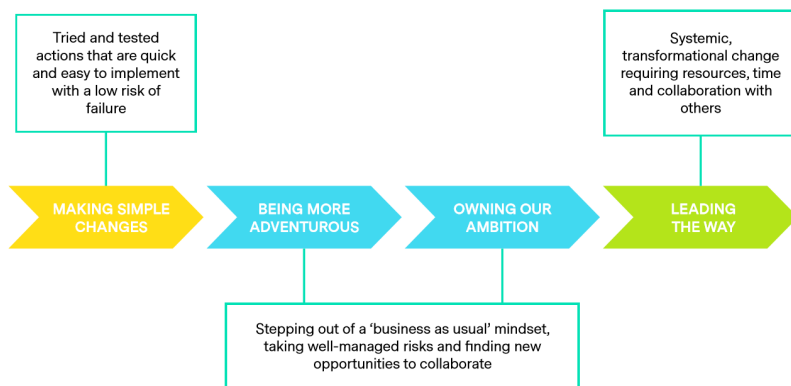
Finance Committee also made similar recommendations:

Recommendation: Welsh Government should work with my office to develop a 'Journey Checker' to set out what good should look like in how the budget process evolves over at least the next 10 years.

Recommendation: Welsh Government should make it clearer how the six priority areas are driving different decisions through considering future trends and scenarios, holistically applying the prevention definition and using opportunities to make system-wide collaborative investments.

Recommendation 8: The Committee is keen to understand how the "journey tracker" will be used by the Welsh Government to accelerate its implementation and integration of the objectives of the Well-being of Future Generations Act and recommends that its use is reflected in the draft Budget 2020-21

Recommendation 9: The Committee recommends that the Welsh Government continues to demonstrate how it embeds the Well-being of Future Generations Act in decision making throughout its organisation, engaging as fully as possible Scrutiny of the Welsh Government Draft Budget 2019-2020 with the Future Generations Commissioner to deliver the cultural change necessary within the Welsh Government.



▶ This diagram is the basis of my 'Journey Checker' - for examples please see my website <https://futuregenerations.wales/the-art-of-the-possible/>

My view on progress from Welsh Government

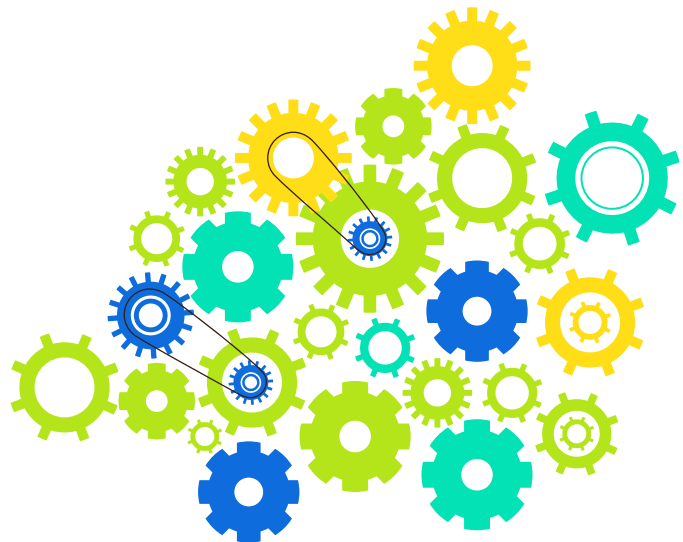
Welsh Government chose to do this work themselves, with a focus on an approach that will be useful to them - they framed this as a 'Budget Improvement Plan'. I am pleased that they have published a draft of this Plan as part of the draft budget 2020-21.

The Plan is a helpful start to understanding what progress in relation to the budget process could look like, and I welcome the fact that it takes a broad view across the Welsh Treasury. I understand that officials have engaged internally within Government on this Plan, and I look forward to seeing how they take on board comments as they engage externally.

Whilst the Plan is a good start, I think there are a number of areas in which it could be strengthened to better reflect the aspirations of the WFG Act and to enable stakeholders to better understand progress – these include:

1) Raise the level of ambition and vision

To reflect the aspirational nature of the WFG Act, the Plan should include more ambitious and transformational actions within a longer-term timeframe, including consideration of what a budget that fully embeds the Act might look like.



▶ The Welsh Government Budget Improvement Plan can be seen at <https://gov.wales/sites/default/files/publications/2019-12/budget-improvement-plan.pdf>

My view on progress from Welsh Government

2) Enable stakeholders to hold spending outcomes to account and track how transformational the change is

The Plan should enable stakeholders to track how spending decisions are changing as well as tracking how the budget process is changing. Welsh Government could learn from the New Zealand Well-being Budget in this regard: wellbeing objectives are first selected, and then cross-government groups make spending proposals against these objectives (with impact assessments alongside). The New Zealand Government selects proposals and then publishes the spending decision shifts that took place as a result of this process.

Links to the New Zealand Well-being Budget:

- ▶ (May 2019 budget)
https://treasury.govt.nz/sites/default/files/2019-06/b19-wellbeing-budget_1.pdf
- ▶ (Guidance)
<https://treasury.govt.nz/sites/default/files/2018-12/budget19-guidance.pdf>

3) Further embed the key elements of the WFG Act, particularly in relation to the 5 ways of working

Whilst the Plan is a helpful way to understand progress, it could go further in reflecting the key elements of the WFG Act, particularly in framing how the budget is enabling focus on Government's well-being objectives, and taking greater account of the five ways of working (particularly 'long term' and 'prevention').

Questions that Members could consider asking as part of scrutiny of the draft budget for 2020/21

1. What is your level of vision and ambition with this work? Do you have a clear idea of what a budget that fully embeds the Well-being of Future Generations Act would look like?
2. How is this Plan going to enable stakeholders to understand what is changing year on year, both in terms of process and in terms of spend?

Section 4

Taking further steps to a longer term approach

In the advice I published for Government in December 2018, I included two recommendations that related to Government taking a longer-term approach, which would in turn enable other public services and organisations to plan for the long term.

Recommendation: Welsh Government must demonstrate how they are applying the principles of the WFG Act in responding to the UK Government Spending Review in 2019.

Recommendation: Welsh Government should use the Spending Review as an opportunity to explore options for multi-year spending commitments to public bodies.

Welsh Government have faced significant challenges in budget planning this year, due to the uncertainty around the UK's exit from the European Union, the UK political context and the announcement of a one-year Spending Round rather than a full Spending Review.

I appreciate that these challenges have made taking a longer-term approach more difficult for Government over the past year. For that reason I will not focus on this area of work in my scrutiny of the draft budget for 2020-21.

However I do expect that some progress has been made on the internal preparations required. I will continue to monitor this area with a particular focus on how Welsh Government responds to the UK Government Spending Review that is due to take place next year.



CHANGE MAKER

(BUDGET, PREVENTION, HEALTH)

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CHANGE MAKER

(DECARBONISATION, PROCUREMENT)

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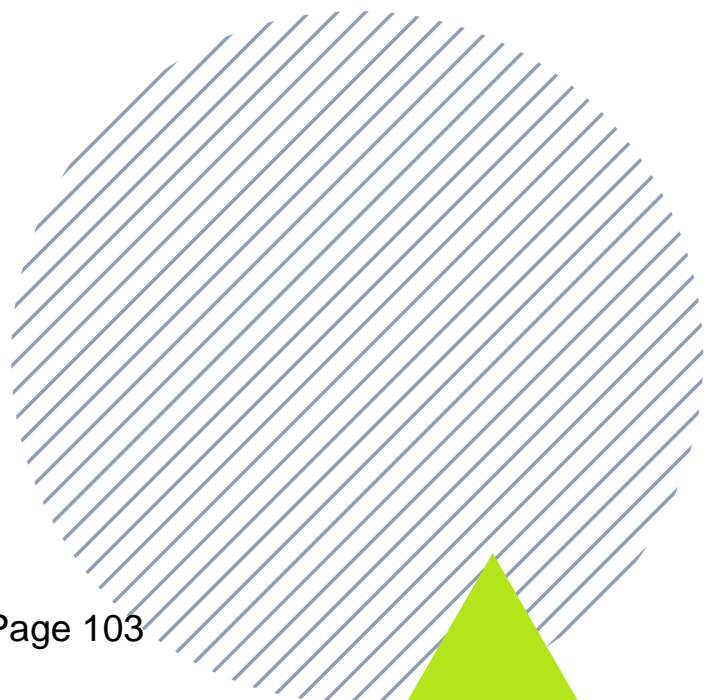


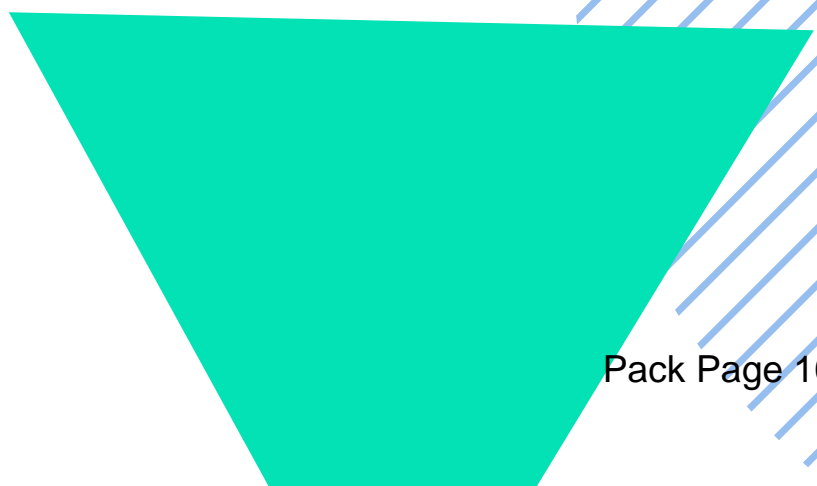
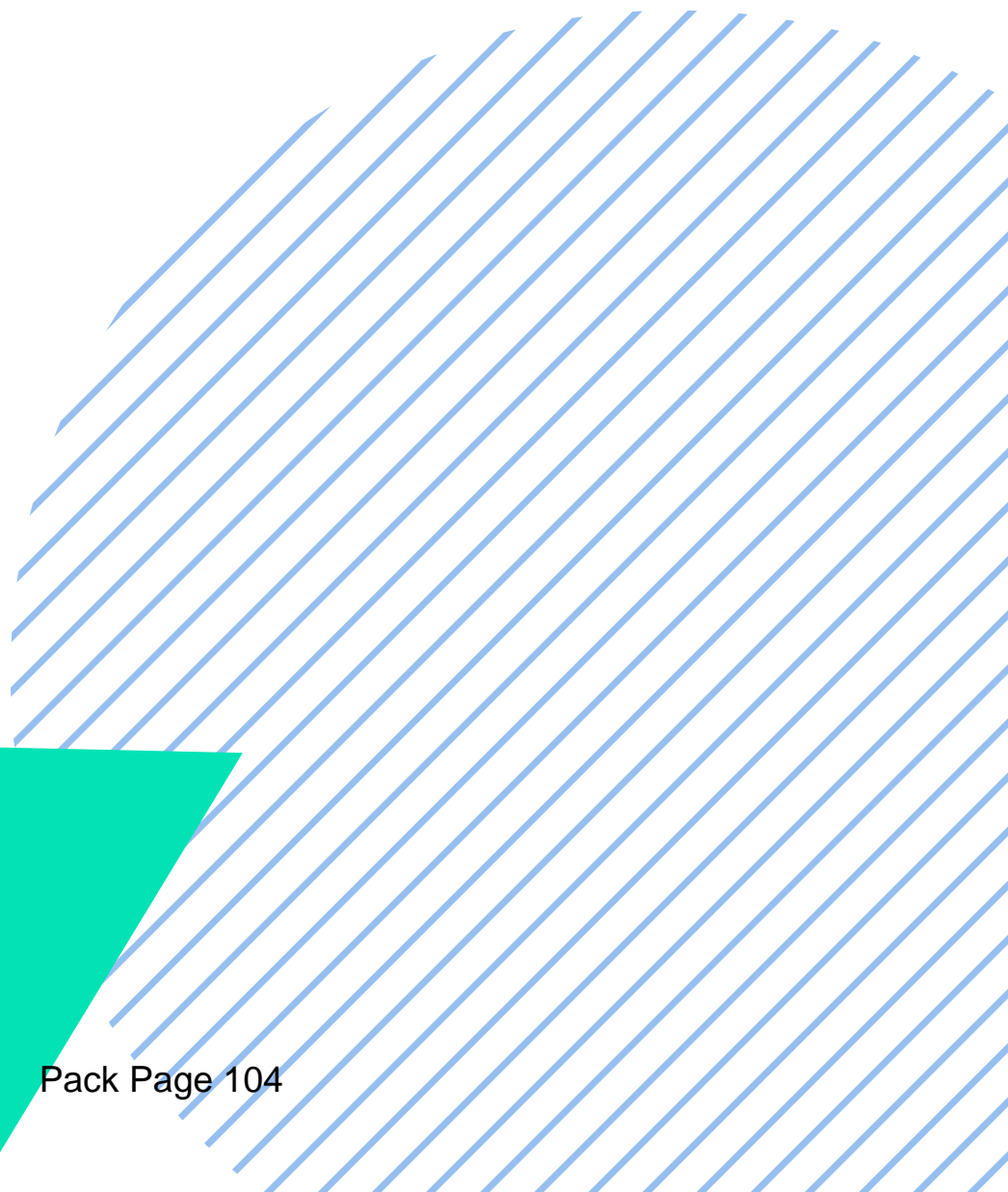
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More information about our work can be found on the website...

www.futuregenerations.wales

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Agenda Item 4.1

Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref JJ/03366/19

John Griffiths
Chair
Equality, Local Government and Communities Committee

10 December 2019

Dear John,

I will shortly be laying a Statutory Instrument, *The Representation of the People (Annual Canvass) (Amendment) (Wales) Regulations 2020* before the Assembly introducing new Regulations which will govern the annual electoral canvass from 2020 onwards. This Statutory Instrument will follow the affirmative procedure.

The new Regulations represent the culmination of a joint programme of work with the Scottish and UK Governments to modernise and reform the annual canvass. The Regulations will retain the robust elements of the current canvass but will allow more flexibility for Electoral Registration Officers to tailor the canvass to the households in their area.

As responsibility for electoral matters relating to local government elections in Wales and Assembly elections has now been devolved, in order to reform the canvass it has been necessary to introduce legislation in each of the three administrations. The UK Government has already done this through the introduction of *The Representation of the People (Annual Canvass) (Amendment) Regulations 2019* which were made on the 4th November 2019.

The Statutory Instrument is introduced to complement and work with the suite of electoral reforms the Committee is already considering as laid out in the Local Government and Elections (Wales) Bill which include a number of provisions relating to improving voter registration; registration without application and the Database of Electoral Registration Information.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Gohebiaeth.Julie.James@llyw.cymru
Correspondence.Julie.James@gov.Wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Provision made in the Statutory Instrument is also consistent with the extension of the franchise for local government elections set out in the Bill and in the Senedd and Elections (Wales) Bill which passed in the Senedd on the 27th November.

Yours sincerely

A handwritten signature in blue ink that reads "Julie James". The signature is written in a cursive, flowing style.

Julie James AC/AM

Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government

Agenda Item 4.2

Papur 5 - Llythyr at Lywodraeth Cymru
Paper 5 - Letter to Welsh Government

Hannah Blythyn

Deputy Minister for Housing and Local Government

16 December 2019

Benefits in Wales

Dear Hannah,

Thank you for your letter dated 5 December, enclosing the Welsh Government's response to our report on the devolution of benefits.

We understand the need to await the WCPP report before responding in more detail to some of the Committee's recommendations. As a result, we have postponed our Plenary debate from 8 January until a point where we have the full response. It would be helpful if you could give us a timeframe as to when you will be providing the updated response.

We note in your response you state, "we have already begun to outline some core principles for change which include compassion, fairness, dignity and understanding, with the aim of taking a more citizen-centred, humane approach." Can you clarify whether this is within the context of the current devolution settlement, or that of further devolution? We believe that our recommendations all provide positive, concrete actions that could help to deliver this change.

We would also like to highlight some questions arising from your response.

Recommendation 1

You highlight the on-going cross government review of programmes and services for children, young people and families living in poverty. Can you clarify if this review covers all those living in poverty (for example single households)? If not, how will you consider the

effectiveness of programmes and services for those living in poverty who are not covered by the review. When will the review be completed?

We note that this review, while potentially informing the development of a Welsh benefits system, is not in itself, addressing what this recommendation calls for. We will continue to monitor progress in implementing this recommendation, which the Welsh Government accepted.

Recommendation 2

We welcome the information provided, and that it is already in the public domain. Following the evidence we heard from stakeholders about how it was difficult to track expenditure on devolved benefits and therefore effectiveness of policy decisions, we wanted to see all this information brought together in one easily accessible place. Will you consider doing this?

Recommendation 3

As we noted in our report, it was unclear from the Welsh Government website that the DAF could be used to cover the five week waiting period for the first payment of Universal Credit. The criteria that is listed on the website, at the time of writing the report, and now this letter (12 December) does not specify that the DAF can be used to support people experiencing hardship as a result of the five week wait. We are concerned that a potential barrier to people accessing this fund is that there is no specific route for accessing the DAF if you are experiencing hardship as a result of the five week wait. Will you be amending the website, and any relevant guidance to ensure it is clear to both people who may need to access the DAF and those who are providing advice and support to them?

Recommendation 4

Can you provide more specific information on how you intend to “continue to promote and increase the take-up of all devolved and non-devolved welfare benefits”? Other than the Strategic Advice Fund, what actions are the Welsh Government taking to address this.

I look forward to receiving your response.

Yours sincerely,



John

John Griffiths

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Tracey Burke
Director General
Education and Public Services Group
Welsh Government

17 December 2019

Dear Tracey

Financial Management and Governance in Community Councils

Thank you for attending the Public Accounts Committee meeting on 25 November 2019.

Following the evidence session the Committee remains concerned about the increasing numbers of Town and Community Councils who are not complying with the statutory requirements regarding their financial management and governance. There are several matters arising from the session that I would like to pick up on.

Firstly, you set out for the Committee in May 2019 and again in your recent paper details about the 'immediate action' that the Welsh Government was taking to support improvement across the sector. You also identified areas for 'further consideration' to be explored before the end of this Assembly term, engaging with the sector and other stakeholders. I welcome the Welsh Government's commitment to support improvement and recognise the practical challenges across such a large and diverse sector. However, in some cases we remained unclear about the extent of action taken on some of the areas for immediate action or about the current status of the areas for further consideration. For example, you previously described an immediate action around encouraging more people to stand for election but your oral evidence suggested that this was something that would receive more active attention at a later point in time.

To provide some additional assurance to the Committee, I would be grateful if you could provide a brief high-level summary early in the New Year to clarify the current status of each of the immediate action and further consideration points



from your May 2019 letter. On the areas for further consideration, it would be helpful to confirm whether the Welsh Government remains committed to exploring these matters before the end of the current Assembly term even if limited progress has been made to date.

As part of your evidence, you also advised us of the mechanisms available for these organisations to access all the information and good practice that is available and of course, the Sector has its umbrella body, One Voice Wales, to help and assist them in these matters.

The Committee wishes to stress that the Welsh Government gives further consideration to how good practice is shared, while highlighting that innovation needs to be within the parameters of the powers of Town and Community Councils and subject to what is permitted within the legislation applying to them.

The Committee has also noted the provisions set out in the Local Government & Elections (Wales) Bill regarding the general power of competence. I am aware that the Auditor General has written to the Equality, Local Government and Communities (ELGC) Committee setting out a number of concerns in that regard, and that Wales Audit Office staff have given oral evidence to the Committee. Alongside the power of competence proposals, you described plans for other annual reporting requirements. I would note that the sector's track record in complying with existing statutory requirements suggests that it will be a challenge to ensuring that these requirements are fulfilled in a truly meaningful way to deliver the intended outcome of improved transparency and community engagement.

Finally, you offered to provide an update on the uptake of the different training initiatives that the Welsh Government has supported (including the e-learning and the bursary schemes). In the case of the bursary schemes we would be grateful for details of the breakdown of the uptake across councils with different budgeted turnover (those with less than £40k and those between £40k and £100k).

I am copying this letter to the Chair of the ELGC Committee given that Committee's ongoing scrutiny of the recent Bill and to draw to his attention the matters covered in our recent evidence session and in the Welsh Government's written evidence.



Yours sincerely,

A handwritten signature in black ink that reads "Nick Ramsay". The signature is fluid and cursive, with a long horizontal flourish extending from the end of the name.

Nick Ramsay AM
Chair

cc. John Griffiths AM – Chair of Equality, Local Government and Communities
Committee



Agenda Item 4.4

Papur 7 - Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig
Paper 7 - Climate Change, Environment and Rural Affairs Committee

John Griffiths AM

Chair, Equality, Local Government and Communities Committee

18 December 2019

Dear John

Climate Change, Environment and Rural Affairs Committee inquiry into fuel poverty

The Climate Change, Environment and Rural Affairs Committee ('the Committee') is undertaking an inquiry into fuel poverty. Given that this policy area is also relevant to the remit of your committee, I thought it would be helpful to inform you of our plans.

The terms of reference for the inquiry are as follows:

- the scale and impacts of fuel poverty in Wales;
- why the Welsh Government failed to meet its statutory target of eradicating fuel poverty in Wales by 2018;
- how Welsh Government action to date has helped to combat fuel poverty, in particular, the impact of the Warm Homes Programme (including Nest and Arbed) and the Welsh Housing Quality Standard;
- how the Welsh Government's successor to the fuel poverty strategy (due for consultation in Autumn 2019) should differ from its 2010 strategy;
- what steps the Welsh Government should take to ensure that new-build homes, as well as existing homes, are highly energy efficient to prevent them causing fuel poverty in the future.

The Committee will be holding a number of evidence sessions early in the spring term. This will include a session with the Minister for Environment, Energy and Rural Affairs, and the Minister for Housing and Local Government, on 13 February 2020.

I will, of course, ensure that our report is sent to you as soon as it is available.

In the meantime, if you would like any further details about the inquiry, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink that reads "Mike Hedges". The signature is written in a cursive style with a large initial 'M'.

Mike Hedges AM
Chair of Climate Change, Rural Affairs and Environment Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.





Llywodraeth Cymru
Welsh Government

John Griffiths, AM
Chair
Equality, Local Government and Communities Committee
National Assembly for Wales
Ty Hywel
Cardiff Bay
CF99 1NA

19 December 2019

Dear John

Local Government and Elections (Wales) Bill - Further information following the meeting held on 27 November 2019

Thank you for your letter of 5 December following my attendance at Committee on 27 November to give evidence on the Local Government and Elections (Wales) Bill. I agreed to provide the following additional information:

- details of any analysis that has been undertaken by the Welsh Government or elsewhere in relation to petitions schemes, the potential increase in their use by the public, and long-term cost implications for principal councils of running a scheme
- the timetable for the 'co-production' of the guidance and regulatory arrangements
- examples or evidence of effective self-assessment arrangements that are currently in place around the world.

Annex 1 provides information regarding the petition schemes in operation in Wales. As the evidence shows, many principal councils already run petitions schemes, though only one currently does so electronically. The aim of the provisions in the Bill is to strike a balance between enabling people to highlight an issue to the council in a more accessible way than a community poll without making the scheme too costly to run. I believe there is no need for both as the outcome is the same, and this replicates the practice used by the Assembly. It is my intention for any guidance on operating a petition scheme to be co-produced in order to learn from the experience of councils who already have schemes in place. The estimated costs are set out in the Regulatory Impact Assessment.

As requested, I will provide the Committee with a timetable for the co-production of the relevant guidance and regulatory arrangements created by the Bill in the New Year.

As mentioned at Committee, where appropriate we will seek to co-produce the guidance, in addition to working with the WLGA we will engage with the third sector through the networks available. Further consideration will be given on how best to engage with citizens and wider communities, with consideration given to the benefits to be achieved from incorporating

activities such as focus groups, when we finalise the approach to developing the guidance. I welcome the views of the Committee on this matter.

We do not have examples or evidence of any self-assessment arrangements that are currently in place around the world. Annex 2 provides more detail on the rationale behind the proposed approach to the performance and governance provisions in the Bill.

Turning to your letter in relation to the Committee's questions on the financial implications of the Bill, the broader electoral reform agenda is complex and cuts across a number of different pieces of primary and secondary legislation. While the Local Government and Elections (Wales) Bill extends the franchise to 16 and 17 year olds and qualifying foreign citizens the administrative costs directly associated with the Bill are limited. The majority of changes to electoral management systems and registration processes are being made as a result of the Senedd and Elections (Wales) Bill and the consequential changes required to the Representation of the People (Wales) (Annual Canvass) (Amendment) Regulations 2020. This work is being led by Welsh Government officials.

The Welsh Government appreciates that this significant development in democratic inclusion will grant additional responsibilities to local authorities in respect of registering new electors and promoting the right to vote to the extended franchise. To this end, the Welsh Government will make available a minimum of £1m in the 2020/21 financial year to support electoral administration teams in implementing these changes.

As part of their discussions with local authorities regarding the implementation of the Bill, my officials are exploring the potential for piloting remote attendance and I do not envisage commencing these provisions until I am confident councils are ready to meet the requirements. I am happy to consider the need for financial support.

I can confirm it is not my intention to provide financial incentives for principal councils who wish to change their voting system. It will be for the council concerned to weigh up the case for making a change. If a council made a decision to change their voting system, I would explore whether funding could be made available, for example to pay for electronic counting programmes and machines if the Welsh Government were to impose electronic counting.

I look forward to returning to the Committee on 29 January to give further evidence.



Julie James AC/AM
Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government

Annex 1: Evidence on use of petitions in principal councils in Wales

In Wales, seven councils currently make provision in respect of petitions, though only one (Powys Council) currently supports e-petitions.

Council	Provision for Petitions
Blaenau Gwent County Borough Council	<p>The Council has a Petitions Protocol that can be used when there are circumstances where the public feel strongly about an issue and they wish to directly communicate their views to the Council through a petition.</p> <p>Before submitting a petition, you should first check with your local councillor or with the Council to see if they are already acting on your concerns and that the Council is the most appropriate body to receive your petition, as sometimes your petition may be more appropriate for consideration by another public body.</p> <p>You can send petitions electronically to:- committee.services@blaenau-gwent.gov.uk</p> <p>or present petitions to:- The Head of Democratic Services Section Blaenau Gwent County Borough Council</p> <p>or contact the Business Support Democratic Services Section on 01495 356139 to make arrangements to hand in a petition</p>
Bridgend County Borough Council	None
Caerphilly County Borough Council	None

Cardiff Council	<p>The Council welcomes petitions and we recognise that petitions are one way in which people can let us know their concerns. Petitions can be presented to a meeting of the Full Council and Planning and Licensing Committees.</p> <p>To submit your petition at Full Council please contact your Local Councillor who can present it on your behalf, or for any other petition contact democraticservices@cardiff.gov.uk</p>
Carmarthenshire County Council	<p>The Democratic Services Unit administers meetings of the Council, Executive Board and Committees of the Council. Producing meeting agendas, attending meetings and recording the decisions made and also providing advice on the law and practice of meetings to Councillors, officers and the public. They also provide administrative support to all 74 Councillors. They can advise you on your rights to attend meetings and how to go about submitting petitions or any other query you may have about how the Council and its Committees work.</p>
Ceredigion County Council	None
Conwy County Borough Council	<p>Any paper petition should include a brief title and a short statement covering the subject matter of the petition.</p> <p>The petition should clearly state what action the petitioner wishes the Council to take and display the following:</p> <ul style="list-style-type: none"> •The name of the petitioner •The contact address of the principal petitioner to which all communications concerning the petition should be sent •The name and address of any person supporting the petition •Paper petitions should also include a signature <p>Paper Petitions must be presented by a Councillor and they can be presented at a meeting of the Council, the Cabinet or an Overview and</p>

	Scrutiny Committee (depending on the subject matter and advice from the Council's Monitoring Officer).
Denbighshire County Council	None
Flintshire County Council	None
Gwynedd Council	None
Isle of Anglesey County Council	None
Merthyr Tydfil County Borough Council	<p>The petitions process allows members of the public to have direct influence on the political process and to raise concerns that are important to them.</p> <p>Anyone who lives, works or studies in Merthyr Tydfil, including under 18's, can sign or organise a petition. However, the minimum age of a person who can sign the petition is 10.</p> <p>Members of the public can submit petitions on the following:</p> <ul style="list-style-type: none"> •Issues relating to the Council's responsibilities. •Issues which affect the Borough or communities in Merthyr Tydfil, as long as the Council is in a position to exercise some degree of influence. •Anything relating to an improvement in the economic, social or environmental well-being of the area to which any of the Council's partners could contribute. <p>The Council will respond to all the petitions it receives. We will be as flexible as we can when handling your petition so that it is considered quickly and in the most appropriate way.</p> <p>How do I submit a petition?</p> <p>All petitions sent or presented to the council will receive an acknowledgement from the council within 14 days of receipt. This acknowledgement will set out what we plan to do with the petition.</p>

	<p>Paper petitions can be sent to:</p> <p>Democratic Services Merthyr Tydfil County Borough Council</p> <p>What will the Council do when it received my petition?</p> <p>We will acknowledge the petition within 14 days of receiving it and let the petition organiser know what we plan to do with the petition.</p> <p>What can I do if I feel my petition has not been dealt with properly?</p> <p>If you feel that we have not dealt with your petition properly, the petition organiser has the right to request that the Scrutiny Board review the steps that the Council has taken in response to your petition.</p> <p>The Scrutiny Board will consider your request within 30 days of receiving it. Should members feel that the Council has not dealt with your petition adequately, it may use any of its powers to deal with the matter.</p> <p>These powers include instigating an investigation, making recommendations to the executive or arranging for the matter to be considered at a meeting of the full council.</p>
Monmouthshire County Council	None
Neath Port Talbot County Borough Council	Possibly exploring on-line petitions
Newport City Council	None
Pembrokeshire County Council	None
Powys County Council	You can access and sign current ePetitions submitted to this Council, as well as accessing information on ePetitions that have already been completed.
Rhondda Cynon Taff CBC	None

City & County of Swansea	None
Torfaen County Borough Council	<p>Members of the public living and/or working in Torfaen and representatives of relevant organisations based in Torfaen may ask questions or present petitions at Council meetings.</p> <p>For further information about public involvement in meetings in Torfaen, please contact the Democratic and Members Services Team on 742163 or 766057.</p>
Vale of Glamorgan Council	None
Wrexham County Borough Council	Link on website to UK and NAW e-petitions webpages

Annex 2 - Performance and governance provisions in the Local Government and Elections (Wales) Bill

The performance and governance provisions in the Local Government and Elections (Wales) Bill are aiming to secure cultural change, with local government taking greater ownership of their own performance. Self-assessment and panel performance assessment in this context are about a broad, council-wide assessment of how a council is organised and the strategic decisions it makes to achieve all its objectives, goals and targets.

Rationale for approach

The effectiveness of The Local Government (Wales) Measure 2009 and the wider concept of performance assessments in the UK and across Europe was considered in the 2013 *Learning to Improve: An Independent Assessment of the Welsh Government's Policies for Local Government, 2007-2011 (Final Report: Part 2)*¹ and also later in *The Commission on Public Service Governance and Delivery*² (January 2014). The latter noted:

'Effective performance management demands far more than simply measuring the right aspects of service delivery. It requires the widespread interpretation and use of performance data to drive improvement in services... a set of policies, strategies and techniques intended to direct managers' and employees' attention towards the improvement of an organization's performance. This could entail organisations themselves monitoring data to identify the need for corrective action, such as changes to delivery methods or extra investment; regulators and scrutiny bodies using data to inform and support pressure for change; or citizens receiving data, which helps them understand how far their entitlements and expectations are being met, and using that to hold service-providers to account.'

This perceived compliance approach within the 2009 Measure was potentially driving perverse behaviours towards achieving indicators and not on the wider consideration of the issues, processes and more importantly people that sit behind those numbers.

Within 'Devolution Democracy and Delivery: Improving public service for the people of Wales' (2014) the Commission made a number of recommendations to reduce complexity on performance and governance including:

'to explore opportunities to reduce complexity, simplify governance arrangements, encourage flexibility for delivery partners to innovate to achieve outcomes, and keep detailed guidance and funding conditions to a minimum. This will include considering options to: streamline funding arrangements; refine performance systems to encourage innovation, flexibility, preventative approaches and a real

¹ <https://gov.wales/sites/default/files/statistics-and-research/2019-07/130924-learning-improve-independent-assessment-wg-policies-lg-2007-2011-part-2-en.pdf>

² <https://gov.wales/sites/default/files/publications/2019-01/commission-public-service-governance-delivery-full-report.pdf>

focus on outcomes; and develop the role of audit, inspection and regulation in supporting this agenda.'

The White Paper '*Reforming Local Government: Power to Local People*' (Feb 2015) proposed a number of changes relating to Corporate Governance and Improvement including introducing a system of annual self-assessment to support Local Authorities in improving their corporate capability and capacity. It noted that evaluation of the impact of Outcome Agreements³, and by extension Part 1 of the Local Government (Wales) Measure 2009, found that they have generally been effective in achieving better corporate focus on improvement and outcomes, although it was difficult to assess whether they had led to performance improvements. The White Paper also noted that the *Learning to Improve*⁴ report found improvement plans have fallen short in supporting the public to hold their Councils to account, and are not sufficiently used by local Scrutiny Committees. *Learning to Improve* also raised questions about the consistency, objectivity and usefulness of the Wales Audit Office's annual improvement assessments in supporting Local Authorities to improve. The annual assessments focus on making improvement 'auditable' has led to too much reliance on external assessment rather than local accountability. This does not always provide either the Local Authorities, Welsh Ministers or the public with the assurance they are seeking.

The response to the White Paper on self-assessment and Peer review were generally supportive. Local Authorities and the WLGA emphasised the benefits of peer assessment being sector-led. In the Public Policy Institute for Wales report '*High Performing Councils: recipe not alchemy*'⁵ (July 2015) it was noted that honest regular organisational self-assessment and embracing searching criticism from peers and inspectors was an indicator of a successful council.

³ Do Outcome Based Approaches to Service Delivery Work? Local Authority Outcome Agreements in Wales, Dr Jennifer Law, University of South Wales, 2013, <http://caspp.southwales.ac.uk/publications/>

⁴ Learning to Improve, Welsh Government, 2013, <http://wales.gov.uk/statistics-and-research/7945310/?lang=en>

⁵ <https://www.wcpp.org.uk/wp-content/uploads/2015/07/High-Performing-Councils-Thinkpiece-Final.pdf>

Agenda Item 4.6

Papur 9 - Llythyr at Lywodraeth Cymru
Paper 9 - Letter to Welsh Government

Julie James AM

Minister for Housing and Local Government

20 December 2019

Dear Minister,

Further information following the meeting on 5 December

Thank you for giving evidence to the Committee on 5 December, the Committee appreciated your honesty and frankness about the complexity of the issues surrounding fire safety.

As previously stated, there is nothing more important than being safe in your own home. We appreciate that the Welsh Government is committed to tackling the complex issues surrounding fire safety and we accept that a considered and phased approach is needed.

While accepting the complexities, we remain keen to see the issue of fire safety pursued with more pace and vigour. We are frustrated that two years after the Grenfell tragedy, the pace and implementation on some of the issues is still not quick enough. This is exemplified by the issue of combustible cladding. Whilst we acknowledge that progress has been made, a ban has been in place on combustible cladding in England since December 2018. We would like to know why it has taken so long to ban the use of combustible cladding in Wales as compared to England? We note the calls from the Fire Brigades Union that the ban on the use of combustible cladding should apply to all residential buildings, and

not just those over 18 metres high. How do you respond to these calls, and can you explain why the ban does not extend to all residential buildings?

We are also eager to follow up on numerous other issues. As you are aware, we previously recommended that replacement legislation for the Fire Safety Order should be introduced in the current Assembly. During the meeting, your official stated that discussions had taken place with UK Government officials to identify which parts of UK legislation could be applied to Wales. Can you provide details of the specific areas of the UK Government's plans that you would like to see applied in Wales and, given the recent UK general election, when this legislation may be introduced?

We would like more information on how the Government is engaging with residents on the Building Safety Programme and the design of new legislation. We welcome the commitment to involve residents and appreciate that the Government has already engaged with stakeholders in the social housing sector. However, we are keen to know how the Welsh Government intends to engage with the broadest range of stakeholders, including those from the private sector.

Whilst appreciating your honesty, we were concerned to hear your admission on guidance issued by the Welsh Government, especially relating to fire doors. During the meeting you stated that the guidance is "not very effective". The Committee would therefore like to know when the system will be in place to make the guidance statutory and what steps you can take in the meantime to make it more effective.

As you are aware, issues surrounding fire doors are one of the main concerns for the Committee. Your official acknowledged in the meeting that glass reinforced plastic (GRP) composite fire doors failed the tests. However, your official also told us that some Welsh manufacturers have subsequently had their doors retested and have confirmed the doors have passed those new tests. However, we remain concerned about the remediation for existing doors that have failed tests. Consequently, we are keen that you continue to push the UK Government in order to get details on the remediation plans that will be put in place by the UK Government at the earliest opportunity.



Regarding level four fire risk assessments, we welcome your commitment to explore if a duty could be put on the responsible person to undertake level four assessments. We would like to clarify that our view is that level four assessments would only need to be undertaken once and only when the property is vacant for a period of time.

We welcome your exploration of a loan to fund the retro-fitting of sprinklers. However, we would like to know specific details about how the loan might work in practice, what stage of development it is in and when might the scheme be operational?

During the meeting, you noted that it is not within competence for the Welsh Government to effectively ensure that developers meet their legal obligations to leaseholders. We are sympathetic to this but would like to know what the Welsh Government is currently doing with the levers within devolved competence. We would like to know whether you intend to use the Help to Buy Scheme in the future to ensure that developers who are in receipt of Welsh Government money act in a moral and ethical way towards leaseholders.

We look forward to your written statement in response to the Leasehold Reform Task and Finish Group. We also appreciate that you are awaiting a report from the Law Commission and that this area of the devolution settlement is complex. As you'll be aware, over a year ago the Committee recommended that the Welsh Government "establishes regulation of agents who manage high-rise residential buildings". However, as the timeframe for action is still vague, we would like more information on when the Government plans to introduce the proposed voluntary accreditation scheme for managing agents.

Finally, we would like to bring to your attention to correspondence from the Celestia Action Group that was sent to us following the meeting, attached as an annex. The Committee appreciates that you are unable to comment whilst the appeal is ongoing. However, we would appreciate it if you could update us as soon as you are able to comment.

During the meeting, you also agreed to the following points listed below:



- You offered for the Deputy Minister to update the Committee about the discussions had with Chief Fire Officers regarding the actions to be taken in Wales following the publication of the Phase 1 Grenfell Tower Inquiry report.
- You agreed to provide a breakdown of the Welsh Government's position on each of recommendations made in the Phase 1 Grenfell Tower Inquiry report as they relate to Wales
- Agreed to share with the Committee the correspondence sent by the Minister for Education to higher education institutions in Wales stating their obligations around fire safety and the collation of accurate data.
- Agreed to share with the Committee documentation sent out to managing agents demonstrating how the Government disseminates information with stakeholders.

I look forward to receiving your response.

Yours sincerely,



John Griffiths

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



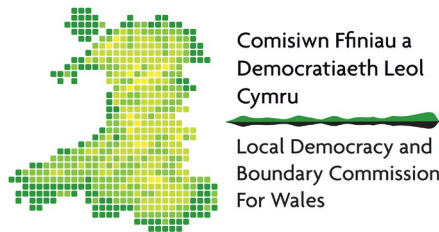
Agenda Item 7

By virtue of paragraph(s) ix of Standing Order 17.42

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Chair
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National Assembly for Wales
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03 January 2020

Dear Mr Griffiths AM,

Thank you for the invitation to the Local Democracy and Boundary Commission to provide verbal evidence to the Equality, Local Government and Communities Committee on the 9th of January 2020.

In preparation for the 9th, please find attached written evidence from the Commission in relation to the Local Government and Elections (Wales) Bill.

I have also included the Commission's analysis of the extending the franchise to 16 and 17 year olds and its potential impact on the Commission's current electoral reviews.



Shereen Williams

Prif Weithredwr / Chief Executive
Comisiwn Ffiniau a Democratiaeth Leol Cymru
Local Democracy and Boundary Commission for Wales

Local Government and Elections (Wales) Bill Written Evidence Submission

Local Democracy and Boundary Commission for Wales (The Commission)

1. The Local Democracy and Boundary Commission for Wales is a Welsh Government Sponsored Body established in its original form by the Local Government Act 1972 and under its current name and functions by the Local Government (Democracy) (Wales) Act 2013. The Commission's duty under the legislation is to monitor the areas and electoral arrangements relevant to local government in Wales for the purpose of considering whether it is appropriate to make or recommend changes. In carrying out its duties the Commission must seek to ensure effective and convenient local government.
2. A framework has been agreed between the Commission and its Welsh Government Sponsor Division (Local Government Democracy Division). This sets out the framework within which the Commission operates and details the terms and conditions under which the Welsh Ministers provide grant-in-aid to the Commission.
3. Each year Welsh Ministers set out the Government's policy aims and areas of key performance indicators by means of a Remit Letter to the Commission. The Remit letter also includes details of the voted grant-in-aid figure and related budgetary control totals for the coming financial year.
4. The Commission's Secretariat also supports the Boundary Commission for Wales which is responsible for reviews of United Kingdom Parliament constituencies in Wales. The Secretariat is funded separately by the Cabinet Office for that work.

Electoral Review Arrangements of Principal Authorities

5. The Local Government (Democracy) (Wales) Act 2013 (the 2013 Act) requires the Commission to conduct a review of the electoral arrangements for each principal area at least once every ten years. The ten-year period began at the beginning of October 2013 and ends at the end of September 2023.
6. Following a Ministerial request to suspend the start of the programme, in June 2016 the then Cabinet Secretary for Finance and Local Government wrote to the Commission to request the commencement of a programme of electoral reviews to be completed in time for the 2022 local government elections. The Commission has since made considerable progress in undertaking this compressed programme of reviews of the electoral arrangements of the 22 principal authorities in Wales. So far, the Commission has submitted 11 Final Recommendation Reports to the Minister for Housing and Local Government which are currently awaiting Orders. The remaining reports will be submitted by the summer of 2021 at the latest to allow sufficient time for preparations for the elections to be made.

Sections of the Bill that have a direct impact on the work of the Commission

7. Sections within parts 1, 7 and 9 of the Bill have a direct impact on the work of the Commission therefore we have focussed on those provisions.

Part 1 – Two voting systems and relevant sections relating to it & Part 7 – Mergers and Restructuring of Principal Areas

8. The Commission's current Policy and Practice for the 2017 Electoral Reviews Programme is based on 'First Past the Post' (FPTP) system. This policy provides for recommendations to be made that each electoral ward will be represented with between one and four members depending on the characteristics of the ward.
9. Prior to commencing the 10-year electoral reviews programme in 2023, the Commission will review and consult on its Policy and Practice and Council size policy. If the legislation is passed the Commission intends to consult on the how reviews will be carried out in relation to the following four categories: -
 - a) Principal Authority utilising FPTP
 - b) Principal Authority utilising Single Transferrable Vote (STV)
 - c) Merged/Restructured Principal Authority utilising FPTP
 - d) Merged/Restructured Principal Authority utilising STV
10. Given the known work commitments of the Secretariat at this time, the Commission may require additional resources to carry out the engagement and consultation work necessary. This process will be essential as the Policy and Practice developed prior to 2023 will be the basis of all reviews to the end of 2033. The main impact on moving to an STV system of representation is that a review would likely be based on larger, multi – member electoral wards comprising between 3 to 6 members
11. In this current review cycle, the 22 reviews were scheduled in advance and programmed over four and a half years, with each review taking up to two years to meet the legislative requirements. It is anticipated that for the next programme, the reviews of Principal Authorities that have experienced significant growths in population would be done at the beginning of the cycle.
12. Currently, the Commission only has time to carry out one round of consultation on its Draft Proposals. It is hoped that within a 10-year cycle, there would be flexibility to carry out an additional round of consultation particularly in relation to proposals that are deemed to be contentious or where viable boundary changes are suggested during the Draft Proposals consultation period. This is likely to extend the review cycle by approximately six months.

13. In the event that the Commission is directed to start a new review as a result of 9 b, c or d above, the Commission would amend the reviews schedule to prioritise the affected Principal Authorities. If such directions would severely impact the Commission's ability to deliver a 10-year programme, the Commission would seek additional resources from the Sponsor Division to second additional staff to complete the work as it has done for the current compressed programme.

Part 1- Extension to the right to vote in local government elections

14. In developing its Council Size policy, the Commission utilises census population figures in order to model the councillor numbers for each principal authority. This ensures that all residents, not just those eligible to vote are considered when determining Council size.

15. In the creation of electoral wards, the Commission is required to consider several factors. This includes the ratio of local government electors to the number of members of the council to be elected. The Commission also takes into account any discrepancy between electors registered and the number of persons that are eligible to vote as well as the projected electorate in five years' time to ensure that any recommendations made, take account of future growth patterns.

16. The census data and the data relating to number of persons eligible to vote but who are not on the electoral register are provided by the Office of National Statistics. The local government electors data and 5-year projections are provided by the principal authority.

17. The Commission was asked in its revised Remit Letter 2018/19 to provide an analysis of the effects of the extension of the electoral franchise and to consider the possible impact of such extension on the Commission's current electoral reviews. In its analysis of the extension to 16 and 17 year olds, the Commission utilised the only data set available to it which covers the whole of Wales and is broken down by age and existing electoral ward. These are the experimental mid-year estimates provided by the Office for National Statistics (ONS). There is no specific data available on the number of foreign nationals not presently eligible to vote broken down by wards within Wales. Our analysis of extending the franchise for 16 and 17 year olds has been included in this submission.

18. Our analysis confirmed that the residence of 16 and 17yr olds is usually spread out over the whole of the principal authority and not concentrated within particular electoral wards. The Commission is satisfied from the analysis of the data available to it, that the impact of the introduction of the 16 and 17 year olds to the registers would not have a significant effect on the outcome of the current reviews.

19. For reviews beyond 2022 the registers should be updated by the Electoral Registration officers to include both 16 and 17 year olds and foreign nationals

currently not eligible to vote in both the existing and projected figures. It is the Commission's view that the extension of the franchise to these categories would not have any detrimental effect to the conduct of reviews.

20. Prior to the next review programme the Commission will revise its Policy and Practice as well as its Council Size Policy to reflect the changes of extending the franchise where relevant.

Part 1 – Change of Electoral Cycles

21. The main impact on the Commission of the proposed change to the electoral cycle from four to five years would be that more reviews could potentially be completed between each electoral cycle.

Part 1- Creation of an All Wales Electoral Registration database

22. The Commission would be prepared to take on the responsibility of being the keeper of the database. A significant amount of pre- planning would be required to develop the capacity and capability of the Commission in terms of Resources, Staffing, Premises, IT and Security before it would be in a position to become the keeper.
23. If the Commission is responsible for maintaining the database there would be efficiency benefits as it would have direct access to complete and accurate electorate figures required to conduct reviews.

Part 9 – Appointment by the Commission of its chief executive

24. The Commission welcomes the powers to appoint its chief executive, in consultation with the sponsor division within Welsh Government. This will bring it in-line with other WGSBs.

Part 9 – Directions under section 48 of the Local Government (Democracy) (Wales) Act 2013

25. If the legislative changes referred to above take place the ability of the Minister to direct the Commission to conduct a further review, stop conducting a review or not conducting a review at all will be required to ensure that review work is conducted efficiently and effectively.

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES



Comisiwn Ffiniau a
Democratiaeth Leol
Cymru

Local Democracy and
Boundary Commission
For Wales

ANALYSIS OF THE EXTENSION OF THE ELECTORAL FRANCHISE ON THE ELECTORAL REVIEW PROGRAMME 2017

DECEMBER 2018

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LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

ANALYSIS OF THE EXTENSION OF THE ELECTORAL FRANCHISE ON THE ELECTORAL REVIEW PROGRAMME 2017

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The Commission welcomes correspondence in Welsh and English.
Mae'r ddogfen hon ar gael yn y Gymraeg.

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1. INTRODUCTION

- 1.1 The Commission has been asked by the former Cabinet Secretary in his revised Remit Letter 2018/19 to provide an analysis of the effects of the extension of the electoral franchise and to consider the possible impact of such extension on the Commission's electoral reviews.

Scope

- 1.2 The proposals to be put before the Senedd are to extend the local government franchise to include foreign nationals not presently eligible to vote and to lower the voting age to 16.
- 1.3 The Local Government (Democracy)(Wales) Act 2013 sets out the legislative framework the Commission must operate under in the conduct of an electoral review. An electoral review is the review of electoral arrangements of a principal council, namely: the number of members for a council; the number and boundaries of the electoral ward a member represents; the number of members for each electoral ward; and, the name of each electoral ward.
- 1.4 In the consideration of the creation of electoral wards Section 30 (1) (a) sets out that the Commission must seek to ensure that the ratio of local government electors to the number of members of the council to be elected is, as nearly as may be, the same in every electoral ward in the principal area. Section 30 (4) defines a local government elector as "*...a person registered as a local government elector in the register of electors in accordance with the provisions of the Representation of the Peoples Acts.*". For the purpose of this work the Commission is assuming that Section 30 (4) is either to be amended or the relevant Representation of the Peoples Act is to be amended.
- 1.5 In this analysis the Commission has utilised the only data set available to it which covers the whole of Wales and is broken down by age and existing electoral ward. These are the experimental mid-year estimates provided by the Office for National Statistics (ONS). In this analysis it has looked at the latest published statistics available to it at the time of writing – the 2016 mid-year estimates.
- 1.6 Ideally, this analysis would utilise information from every council with the number of potential 16- and 17-year olds in their area, broken down by community and community ward. These community areas are the building blocks the Commission uses in the creation of electoral wards. However, only two councils at time of writing have begun piloting work within their council areas to begin the registering of 16- and 17-year olds and working with schools and others in the education of 10 to 17-year olds in their ability to become an attainer and vote at 16.
- 1.7 When all local authorities have updated their registers, a full analysis based on accurate and live data may be undertaken.
- 1.8 In this analysis the Commission has looked at the impact of adding those in the census data that are 16 and 17. A brief analysis was done looking at those who

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would be 16 in 2022 but the Commission did not proceed on that basis. The Commission is not confident that it can use the experimental mid-year estimates for those who were estimated to be 10 in 2016 (those who were 5 when the census was undertaken) and project those in their wards in 4-years' time based on a projection from 2011. The Commission conducts its reviews on the basis of the existing number of registered electors, not including attainers. Therefore, in order to conduct an as close to like-for-like analysis as is possible the Commission has applied the same principle to this analysis.

- 1.9 There is no specific data available on the number of foreign nationals not presently eligible to vote broken down by ward for Wales. However, all foreign nationals are included in the census and, as a consequence, the mid-year estimates published by the ONS which the Commission is utilising. By using this data, the Commission has included foreign nationals not presently eligible to vote in its analysis but cannot make specific reference to them as a data set. The analysis will, therefore, also include 16- and 17-year old foreign nationals not presently eligible to vote.

2. ANALYTICS

Overview

2.1 As described in 1.5 the Commission has used the 2016 experimental mid-year estimates from the ONS to conduct the analysis. The number of population, population eligible to vote (18+) and 16- and 17-year olds has been broken down in two parts: By principal council; and, by electoral ward. The last breakdown is the most crucial in terms of analysis due to the way in which the Commission conducts its electoral reviews.

Overall Council Data

2.2 The table below shows the total population: over 18; over 16; 16 and 17 only; the percentage of population and population eligible to vote (PETV); and, the standard deviation of its wards, broken down by principal council.

County	Total	18+	16+	16-17	16-17		Standard Deviation
					% Pop	% PETV	
Blaenau Gwent	69,628	55,915	57,583	1,668	2.40%	2.90%	0.32
Bridgend	143,177	114,114	117,412	3,298	2.30%	2.81%	0.50
Caerphilly	180,462	142,097	146,301	4,204	2.33%	2.87%	0.37
Cardiff	361,468	287,473	294,905	7,432	2.06%	2.52%	0.71
Carmarthenshire	185,610	148,522	152,764	4,242	2.29%	2.78%	0.48
Ceredigion	74,146	61,720	63,208	1,488	2.01%	2.35%	0.73
Conwy	116,538	95,074	97,703	2,629	2.26%	2.69%	0.57
Denbighshire	94,805	75,389	77,589	2,200	2.32%	2.84%	0.66
Flintshire	154,419	122,395	126,005	3,610	2.34%	2.86%	0.48
Gwynedd	123,627	100,135	102,727	2,592	2.10%	2.52%	0.77
Isle of Anglesey	69,723	56,243	57,728	1,485	2.13%	2.57%	0.36
Merthyr Tydfil	59,810	47,124	48,556	1,432	2.39%	2.95%	0.40
Monmouthshire	92,843	75,185	77,439	2,254	2.43%	2.91%	0.78
Neath Port Talbot	141,588	113,631	116,839	3,208	2.27%	2.75%	0.48
Newport	149,148	115,368	119,027	3,659	2.45%	3.07%	0.48
Pembrokeshire	123,954	99,744	102,645	2,901	2.34%	2.83%	0.53
Powys	132,160	107,664	110,896	3,232	2.45%	2.91%	0.94
Rhondda Cynon Taf	238,306	188,406	193,852	5,446	2.29%	2.81%	0.44
Swansea	244,513	197,178	202,551	5,373	2.20%	2.65%	0.50
Torfaen	92,052	72,995	75,146	2,151	2.34%	2.86%	0.56
Vale of Glamorgan	128,463	101,513	104,744	3,231	2.52%	3.08%	0.66
Wrexham	136,710	107,359	110,451	3,092	2.26%	2.80%	0.49
Total	3,113,150	2,485,244	2,556,071	70,827	2.28%	2.77%	0.56

Note: data used is ONS' experimental 2016 mid-year estimates.

ANALYSIS OF THE EXTENSION OF THE ELECTORAL FRANCHISE

- 2.3 There are 70,827 16- and 17-year olds across Wales. This is 2.28% of the population and 2.77% of the population eligible to vote (16+). Whilst the greatest numbers are in the more populous council areas, the highest proportions of electors are in Newport (3.07%) and the Vale of Glamorgan (3.08%). The lowest proportion of potential electors are in Ceredigion (2.35%), Cardiff (2.52%) and Gwynedd (2.52%).
- 2.4 In terms of deviation there is a relatively small amount of deviation in each ward with an average deviation of 0.56 from their respective county average. The lowest deviations are in Blaenau Gwent (0.32), Caerphilly (0.37) and the Isle of Anglesey (0.36). Those with the most deviation in their wards are Gwynedd (0.77), Monmouthshire (0.78) and Powys (0.94).
- 2.5 The standard deviation is less than 1 for all of Wales. The overall impact of the addition of 16- and 17-year olds when considered on a whole county basis are negligible and consistent across the country. However, this is not how the Commission considers these statistics when conducting a review. A ward by ward analysis was therefore required.

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

Electoral Ward Data

2.6 The table below shows the average percentage of 16- and 17-year olds of the total population over 16 eligible to vote; the minima and maxima wards in each authority as a percentage of population eligible to vote (PETV); and, the name of the ward, broken down by principal council.

County	%PETV	+	-	+	-
Blaenau Gwent	2.90%	3.45%	2.56%	Rassau	Abertillery
Bridgend	2.81%	3.95%	1.48%	Llangeinor	Coychurch Lower
Caerphilly	2.87%	3.71%	1.90%	Darren Valley	Risca West
Cardiff	2.52%	4.07%	0.60%	Adamsdown	Cathays
Carmarthenshire	2.78%	3.96%	1.65%	Felinfoel	Llanddarog
Ceredigion	2.35%	4.31%	0.75%	Llanbadarn Fawr-Padarn	Aberystwyth Canol/Central
Conwy	2.69%	4.10%	1.63%	Llasannan	Craig-y-Don
Denbighshire	2.84%	4.63%	1.76%	Rhyl South West	Tremeirchion
Flintshire	2.86%	3.91%	1.89%	Mold South	Hawarden
Gwynedd	2.52%	4.48%	0.52%	Groeslon	Garth
Isle of Anglesey	2.57%	2.99%	1.71%	Canolbarth Môn	Bro Aberffraw
Merthyr Tydfil	2.95%	3.55%	2.52%	Penydarren	Vaynor
Monmouthshire	2.91%	5.90%	1.53%	Dixton with Osbaston	Mardy
Neath Port Talbot	2.75%	3.60%	1.59%	Cadoxton	Britton Ferry East
Newport	3.07%	4.13%	2.08%	Pillgwenlly	Caerleon
Pembrokeshire	2.83%	4.08%	1.45%	Pembroke: Monkton	Tenby: South
Powys	2.91%	8.94%	1.66%	St. David Within	Llanwrtyd Wells
Rhondda Cynon Taf	2.81%	4.29%	1.78%	Rhydfelen Central/Ilan	Trallwng
Swansea	2.65%	4.02%	1.46%	Penderry	Castle
Torfaen	2.86%	4.12%	1.86%	Greenmeadow	Croesyceiliog North
Vale of Glamorgan	3.08%	4.83%	2.16%	Stanwell	St. Augustine's
Wrexham	2.80%	3.94%	1.84%	Little Acton	Erddig

Note: data used is ONS' experimental 2016 mid-year estimates.

2.7 As described in 2.5 the average deviation is not significant across council areas. There are however extremes; Garth in Gwynedd (-2.00%), Dixton with Osbaston in Monmouthshire (2.99%) and St David Within in Powys (6.03%). With these three wards excepted, the level of variance from the county average is less than 2% across Wales.

2.8 The Commission considers each ward within the local authority based on their variance from the proposed county average, as defined by the Commission Council Size Policy. The statutory duty in the Act sets out we must achieve a level of parity within each authority. In order to do this the Commission has a policy whereby there is an approximate rule for the appropriate level of variance it considers appropriate for this programme of reviews. The Commission considers that a level of variance in excess of +/-25% of the proposed county

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average is inappropriate, although the preference is always to improve electoral parity to as close to 0% as possible.

- 2.9 Furthermore, to assist a council and ensure there are no surprises in the Commission's proposals and recommendations, at the outset of a review the Commission colour codes each existing ward based on its variance from the proposed county average. Wards within +/-10% of the proposed county average are green; between +/-10% and +/-25% are yellow; between +/-25% and +/-50% are orange; and those in excess of +/-50% are red.
- 2.10 Due to the way the Commission considers each ward when conducting a review, the wards which are the extremes within their council area do not define whether it would affect how the Commission considers each ward within an electoral review. The wards must therefore be considered in another way.
- 2.11 In the table below is the total number of wards for each council; whether, when adding in 16- and 17-year olds, a ward has changed category; and, if that was a material change, i.e. it had moved from a yellow to an orange or vis a versa. If there is a material change the name of the ward is noted and the level of change is identified.

County	Wards	Changed	Material	Ward Name
Blaenau Gwent	16	0	0	
Bridgend	39	0	0	
Caerphilly	33	0	0	
Cardiff	29	1	0	
Carmarthenshire	58	0	0	
Ceredigion	40	1	0	
Conwy	38	0	0	
Denbighshire	30	1	1	Llanarmon-yn-Ial/Llandegla
Flintshire	57	2	1	Mostyn
Gwynedd	71	2	0	
Isle of Anglesey	11	0	0	
Merthyr Tydfil	11	0	0	
Monmouthshire	42	1	1	Dixton with Osbaston
Neath Port Talbot	42	0	0	
Newport	20	2	1	Pillgwenlly
Pembrokeshire	60	1	1	Scleddau
Powys	73	2	0	
Rhondda Cynon Taf	52	2	1	Hawthorn
Swansea	36	0	0	
Torfaen	24	1	1	Trevethin
Vale of Glamorgan	23	0	0	
Wrexham	47	1	0	
Total	852	17	7	

2.12 As can be seen in the table above, of the 852 wards in Wales only 17 of these (2.00%) change category. Of these only 7 (0.82%) change materially.

3. ANALYSIS – IMPACT ON REVIEWS

- 3.1 In this chapter the Commission has analysed the seven wards and the impact on those ongoing or completed reviews. Following that is an overall impact assessment and, finally, the Commission proposed next steps for this review programme and the one commencing in 2023.
- 3.2 The seven wards affected are: Dixton with Osbaston, Hawthorn, Llanarmon-yn-Ial/Llandegla, Mostyn, Pillgwenlly, Sceddau and Trevethin.

Dixton with Osbaston (Monmouthshire)

- 3.3 This ward sees the greatest overall increase from 24.9% of the county average to 28.9%. At 24.9% this ward would be marginal in terms of consideration to its continued viability. This decision would be informed by the projected figures and the representations received for the area. However, the Council has recently completed a community review and if the changes to this ward take place there would be very significant changes to this ward (the areas of Dixton and Osbaston are now in separate wards). It is therefore impossible for the Commission to consider this ward in its existing form as it would be inappropriate to do so.

Hawthorn (Rhondda Cynon Taf)

- 3.4 Similarly to Dixton with Osbaston, this ward too moves from 24.9%, by 0.3%, to 25.2%. This ward would be a marginal one in terms of consideration to its continued viability. However, this ward is highly likely to change in the ongoing electoral review of RCT. The foremost reason is, within the present register of electors the ward is 35.3% of the proposed county average. This alone is an inappropriate level of variance. If the population trend is matched in the registered electorate, an increase by 0.3%, this would increase the inappropriate level of variance further.

Llanarmon-yn-Ial/Llandegla (Denbighshire)

- 3.5 This ward changes from 25.2% to 24.8% from the proposed county average. This ward, in isolation, could be considered by the Commission to have an appropriate level of variance, albeit marginal. However, the ward is located next to Llanbedr Dyffryn Clwyd/Llangynhafal. When we look at the electorate for these wards in the ongoing review, the Llanarmon-yn-Ial/Llandegla ward is 28% above the proposed county average and Llanbedr Dyffryn Clwyd/Llangynhafal is 25% below the proposed county average. If the population trend is matched in the registered electorate, a decrease by 0.4% there would continue to be an inappropriate level of variance. Furthermore, by moving one community between the two wards, as the Commission has proposed in its Draft Proposals, the two new wards have significantly improved levels of variance at 18% and -11% from the proposed county average.

Mostyn (Flintshire)

3.6 This ward changes from 25.1% to 24.8% from the proposed county average. This ward, in isolation, could be considered by the Commission to have an appropriate level of variance, albeit marginal if the review were conducted using this data. When we look at the electorate for this ward in the ongoing review, it is 23% below the proposed county average. This ward, in isolation, could be considered by the Commission to have an appropriate level of variance, albeit marginal. The surrounding wards are also of an appropriate level of variance.

Pillgwenlly (Newport)

3.7 This ward too moves from 24.9%, by 1.3%, to 26.2%. This ward would be marginal in terms of consideration to its continued viability, if the review were conducted using this data. When we look at the electorate for this ward (taken from the June 2018 registers), it is 15% above the proposed county average. This ward, in isolation, could be considered by the Commission to have an appropriate level of variance. If the population trend is matched in the registered electorate, an increase of 1.3%, there would continue to be an appropriate level of variance.

Scleddau (Pembrokeshire)

3.8 This ward moves from -24.3%, by -0.9%, to -25.2%. This ward would be marginal in terms of consideration to its continued viability. However, this ward is likely to change in the ongoing electoral review of Pembrokeshire. The ward is located next to Dinas Cross and Llanrhian. When we look at the electorate for these wards in the ongoing review, the Dinas Cross ward is 17% below the proposed county average, Llanrhian is 22% below the proposed county average and Scleddau is 27% below the proposed county average. If the population trend is matched in the registered electorate, a decrease by 0.9%, there would continue to be an inappropriate level of variance. By altering the warding arrangements for this area, as the Commission has proposed in its Draft Proposals, the three new wards have significantly improved levels of variance at -1%, -9% and 5 electors from the proposed county average.

Trevethin (Torfaen)

3.9 This ward too moves from -25.3%, by -0.9%, to -24.4%. This ward would be a marginal one in terms of consideration to its continued viability. However, this ward is likely to change in the ongoing electoral review of Torfaen. The ward is located next to St. Cadocs and Penygarn. When we look at the electorate for these wards in the completed review, the St. Cadocs and Penygarn ward is 25% below the proposed county average and Trevethin is 29% below the proposed county average. If the population trend is matched in the registered electorate, an increase by 0.9%, there would continue to be an inappropriate level of variance. By altering the warding arrangements for this area, as the Commission has recommended, the new ward (covering the whole of the Community of Trevethin) has a significantly improved level of variance at 9% from the proposed county average.

3.10 As can be seen from the analysis above, the seven affected wards by the introduction of 16- and 17-year olds to the electorate, is negligible and would not affect the Commission's proposals or ongoing reviews.

Overall Impact Assessment – Current Electoral Review Programme

3.11 The Commission is satisfied, following the analysis it has conducted on the data available to it, that the impact of the introduction of 16- and 17-year olds to the registers would be negligible. The overall picture shows that there is a very consistent picture across Wales with a less than 1% average deviation from the existing eligible electorate. Furthermore, when considering individual wards, the impact is also negligible. The way the Commission conducts reviews and the present distribution of electorate across the principal areas results in 0.82% of wards being potentially materially affected. As can be seen above, even these seven wards, due to their specific circumstances and the Commission's statutory duty to improve electoral parity, do not cause concern for the Commission in terms of the decisions made to date.

3.12 It is therefore the view of the Commission that the current review programme should be unaffected by the proposed extension to the franchise and the reviews should be completed in accordance with its current policies, procedures and the 2013 Act.

Initial Impact Assessment – 2023 Electoral Review Programme

3.13 It is anticipated that by the start of the first review of the 2023 Programme, the extension of the franchise will have become law and that one local government election will have been conducted on that basis. The 22 Principal Councils will have updated their registers and procedures and a programme of educating potential electors will be underway across schools in Wales.

3.14 These underlying assumptions being correct, the Commission proposes no fundamental change to the way it would conduct reviews as a result of the extension of the franchise. It is the view of the Commission that 16- and 17-year olds will be included in the registers at the start of a review and that those potentially eligible to vote will be including in a council's calculations for their five-year projections.

3.15 The Commission will, during its meetings before the commencement of the reviews, ensure that the councils are reminded of their responsibilities to ensure there is a consistent approach to reviews across Wales.

3.16 Prior to the outset of the next programme of reviews, the Commission will draft and consult on a new policy and practice document, including a council size policy. The Commission will conduct a further analysis of the impact of the extension of the franchise prior to that publication, once the full and accurate data is available. The Commission may, at that point, include any changes in its policy and practice document. If there have been any material changes as a result of the extension of the franchise these will be taken into account in the scheduling

of the next review programme. This is presently the case where there are greater or lesser increases in electorate than the 5-year projections had anticipated in this programme. Where these are shown in the variances of wards within councils, the council areas affected are likely to be reviewed earlier in the programme.

APPENDIX 1 – GLOSSARY OF TERMS

Commission	The Local Democracy and Boundary Commission for Wales.
Directions	Directions issued by Welsh Ministers under Section 48 of the Act.
Electoral wards	The areas into which principal areas are divided for the purpose of electing county councillors, previously referred to as electoral divisions.
Electoral review	A review in which the Commission considers the electoral arrangements for a principal council.
Electorate	The number of persons registered to vote in a local government area.
Order	Order made by an implementing body, giving effect to proposals made by the principal council or the Commission.
Population Eligible to Vote (PETV)	The number of persons whom may be eligible to vote as determined by age group. In this document that can mean those 18 and over, or those 16 and over.
Principal area	The area governed by a principal council in Wales: a county or county borough
Principal council	The single tier organ of local government, responsible for all or almost all local government functions within its area. A county or county borough council.
Standard Deviation	A measure that is used to quantify the amount of variation or dispersion of a set of data values. A low standard deviation indicates that the data points tend to be close to the mean (average) of the set, while a high standard deviation indicates that the data points are spread out over a wider range of values.
The Act	The Local Government (Democracy) (Wales) Act 2013

Alun Davies AC/AM
Ysgrifennydd y Cabinet dros Lywodraeth Leol a
Gwasanaethau Cyhoeddus
Cabinet Secretary for Local Government and Public
Services



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA(P)/ARD/1386/18

Owen Watkin
Chair, Local Democracy and Boundary Commission Wales
Hastings House
Fitzalan Place
Cardiff
CF42 0BL

26th September 2018

Remit Letter 2018/19 - Revised

I wrote to you on the 10 May 2018 setting out the objectives for the Commission in 2018/19. At that point, the Welsh Government was consulting on three options for reform set out in the Green Paper 'Strengthening Local Government: Delivering for People' and I said the objectives might need to be revised.

The consultation finished on the 12 June and the implications for the Commission's work for this year are now clear as the Welsh Government has decided not to proceed with comprehensive mergers outlined in the Green Paper at this time. This is on the basis of local government continuing to work with the Welsh Government to deliver reform.

However, the current work programme of the Commission therefore still needs to take account of the elements of the reform of local government relevant to the Commission's work such as the electoral reforms. In particular, as set out in the White Paper of June 2017 and in the Oral Statement I made to Plenary in January 2018, it is the intention of the Welsh Government to extend the franchise to 16/17 year olds and all foreign nationals for the 2022 local government elections. I expect the Commission to consider the implications of this as part of its electoral reviews.

The objectives, therefore for the Commission remain as:

- To continue with the electoral review programme with the aim of completing all 22 reviews in accordance with the published timetable;

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CF99 1NA

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Correspondence.Alun.Davies@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

- To ensure that all aspects of reviews are quality assured;
- To take forward the project for new ITC provision in conjunction with Qualifications Wales;

And, in addition:

To provide me with an analysis of the effects of the extension of the electoral franchise, as described above, and a consideration of the possible impact of such extension on electoral reviews, and of the action, if it is considered necessary, taken by the Commission following its consideration

The budget of the Commission remains the same.

A handwritten signature in black ink, appearing to read 'Alun', with a horizontal line underneath it.

Alun Davies AC/AM

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Gwasanaethau Cyhoeddus
Cabinet Secretary for Local Government and Public Services

Agenda Item 8

Papur 11 – UNSAIN Cymru

Paper 11 – UNISON Cymru / Wales

UNISON Cymru/Wales response to the consultation on the Local Government and Elections (Wales) Bill

1.1 UNISON is Wales' largest public service union organising over 90,000 public service workers.

1.2 We represent full-time and part-time staff who provide public services, although they may be employed in the public, private and third sectors.

1.3 Our interest in this consultation is threefold – 50,000 of our members in Wales work in local government; our members provide services that our councils deliver; and our members are citizens who use and rely on local services.

2. Elections

2.1 UNISON is fully supportive of reducing the voting age to 16 for all elections, including local government elections. It is important to engage, empower and inspire young people to become actively involved in the issues that affect their lives.

2.2 The Bill refers to educational support around citizenship education to run alongside the right to vote from 16. As many 16 and 17 years old are still in education, there is an excellent opportunity to educate young people on their democratic rights.

2.3 As a broader point, UNISON believes this education should also encompass education around employment rights and the role of trade unions.

2.4 Whilst the consultation refers to the right for 16 and 17 year olds to vote, it does not refer to the right to stand for election. Given that the law allows 16 and 17 years olds to give full consent to medical treatment, pay income tax and national insurance, consent to sexual relations, and become a director of a company to name but a few examples, UNISON believes it is important to explore the possibility of allowing 16 and 17 year olds to stand for election.

2.5 UNISON is fully supportive of all lawful residents in Wales being given the right to vote in elections.

2.6 Furthermore, UNISON believes all lawful residents who have the right to vote in elections should also have the right to stand in elections.

2.7 UNISON remains of the view that voting systems should be consistent across Wales. We have concerns that a change in voting system may be made for political advantage.

2.8 Where authorities to agree a change to voting systems, we agree there should be a minimum period whereby that arrangement then remains in place to avoid a situation where the system is regularly changed in line with political ambition.

2.9 A five year local government term is sensible but we would want to avoid elections to two separate bodies occurring during the same year. We are concerned this could create confusion and voter fatigue.

2.10 UNISON welcomes the Bill's intention to allow council employees (below senior level) to stand for election in their own authority. There are many local government workers who would make excellent councillors, who have great local knowledge and understanding. They are currently an untapped resource and we are keen for this to change.

3. General Power of Competence

3.1 UNISON has long advocated that the General Power of Competence should apply to local authorities in Wales.

3.2 This power could enable councils to create new possibilities for the development of and the improvement of local services and would also encourage and improve community participation in service delivery and policy development. We believe that councils should be judged on their actions not their structures and that this power is key to ensuring high quality, responsive local government.

3.3 The primary driving force must be the delivery of strong, effective and responsive local services, rather than cost saving.

3.4 UNISON is clear that, as with other negotiations, trade unions must be part of discussions on this at a local level.

4. Promoting Access to Local Government

4.1 UNISON agrees with the intention of the consultation to demystify local democratic structures and allow them to be more transparent and easy to understand.

4.2 The measures proposed within the Bill are sensible and allow public participation in the mechanics of a democratically elected and accountable body.

4.3 The measures also update current arrangements for participation around, for example, petitions, and this is welcome.

4.4 The more connected people feel to their local democratic structures, the better.

5. Local Authority Executives, Members, Officers and Committees

5.1 UNISON agrees with the separation and clarification of the key roles in local authorities as outlined in the consultation paper.

5.2 UNISON agrees with the Bill's proposal to ensure the performance management of council Chief Executives is open and transparent.

5.3 UNISON believes this element could be beneficial to the development of social partnership in Wales and in our submission to the Social Partnership Act White paper we have included the following wording:

5.4 *“Social partnership arrangements have to be meaningful and understandable at local level and should form part of the senior management and leadership roles and responsibilities at local employer level. This responsibility must obviously be accompanied with the relevant and necessary training, development and communication. It could also be discussed and measured within performance review structures.*

5.5 *A model performance review could be developed and coordinated from the Social Partnership Council with the aim of capturing consistent data on compliance, along with other relevant statistics. This allows progress to be measured fairly and allows the development of a mechanism to address any issues with senior managers where social partnership arrangements have not been adhered to.”*

5.6 This must not, however, be linked with performance related pay for the senior management of councils.

5.7 UNISON wholly agrees with the measures in the Bill to allow regulations to keep up with any employment law developments. It is important to encourage candidates from as diverse a background as possible and this must include people with family responsibilities.

5.8 UNISON welcomes the Bill’s intentions around the promotion and maintenance of high standards of conduct of those in elected office.

5.9 Scrutiny is an important function in order to hold elected officials to account. The Bill’s proposals to improve scrutiny are welcome.

5.10 UNISON also supports proposals to provide education and training to support those elected to perform in their roles.

6. Collaborative Working by Principal Councils

6.1 UNISON is clear that any staff employed by corporate joint committees must be afforded the same pay, terms and conditions of employment as directly employed local authority staff.

6.2 Corporate joint committees must not be used as a vehicle to water down the terms and conditions of the workforce.

6.3 Staff employed through the corporate joint committee must have access to a recognised trade union and we believe it is essential for trade unions to form a part of the corporate joint committee.

6.4 There must be clear and transparent decision making processes in place which address the weighting of decisions being made between councils of differing sizes. All citizens in

Wales deserve equal access to services irrelevant of the size of the local authority area where they reside.

6.4 There must be proper, robust scrutiny processes in place to ensure the decisions of corporate joint committees are open, transparent, and fair. In order for this to take place it is essential that there is provision for trade union representatives on corporate joint committees (see paragraph 10 for specific example). There must also be a consultation process ahead of the establishment of a corporate joint committee.

7. Performance and Governance of Principal Councils

7.1 UNISON welcomes the intention to develop a more regularised performance and governance system.

7.2 Currently, external auditing processes only appear to identify a problem, for example a procurement failure, after the event. It is important to ensure the audit process addresses this problem.

7.3 The presence of independent members on an Audit Committee could work, but committee members must be appointed in a way that ensures their roles are fair and accountable.

8. Mergers and Restructuring of Principal Areas

8.1 UNISON continues to be clear that the cost of any local government reorganisation should be provided centrally and under no circumstances should it be taken out of existing already stretched council services.

8.2 UNISON believes any council mergers that take place must sit within the existing health board boundaries. Local authority boundaries should be co-terminus with health board boundaries. Such an organisational alignment will support the process of health and social care integration.

8.3 Recognised trade unions must be involved at the earliest possible opportunity if local authorities are considering a restructure or a merger. Local authorities must engage with trade unions throughout any restructuring or merger process.

9. Local Government Finance

9.1 Public services offer excellent value for money and these services obviously need to be paid for. Council tax provides local authorities with much needed revenue, which is why council tax freezes are so damaging.

9.2 However, a viable level of council tax is not the answer to long-running problem of local government finance.

9.3 Any reformed council tax system would have to operate on an all-Wales basis with powers of limited local variation and mechanisms for redistribution in favour of areas with a much lower tax base.

10. Local Government Pension Scheme Welsh Funds

10.1 The LGPS in Wales is currently administered in eight funds (Cardiff and Vale of Glamorgan, Clwyd, Dyfed, Greater Gwent (Torfaen), Gwynedd, Powys, Rhondda Cynon Taf, and Swansea City and County).and managed through council committees by these respective administrating authorities.

10.2 In the run up to the 1 April 2015, Local Pension Boards were established under the provisions of Section 5 of the Public Service Pensions Act 2013 and regulation 106 of the LGPS Regulations 2013 (as amended). The Local Pension Boards were established to: assist the Scheme Manager; to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS; to secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator; in such other matters as the LGPS regulations may specify; secure the effective and efficient governance and administration of the LGPS for the DCPF; and provide the Scheme Manager with such information as it requires to ensure that any member of the Local Pension Board or person to be appointed to the Local Pension Board does not have a conflict of interest.

10.3 On each of Wales' 8 LGPS Pension Boards, LGPS members are represented by representatives of one or more of the National Joint Committee recognised Trade Unions (UNISON; GMB & UNITE).

10.3 In 2017 the Wales Pension Partnership (WPP) was established. The WPP is a collaboration of the eight LGPS funds (Constituent Authorities) covering the whole of Wales and is run through a Joint Governance Committee, made up of elected representatives from the eight administrating authorities. The purpose of this partnership is to pool the eight Welsh funds to improve investment returns and reduce investment costs.

10.4 To date the WPP has consistently declined the recognised trade unions' requests for a scheme member representative (nominated by a recognised trade union) to sit on the Joint Governance Committee (even in a nonvoting or observer status). As most of the investment decisions and scrutiny will now take place at a WPP level; the exclusion of a trade union scheme member representative undermines the spirit and purpose in which Pension Boards were developed.

Agenda Item 9

National Assembly for Wales
Cardiff Bay
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Gofynnerom/
Please askfor: Chief Fire Officer
Chris Davies

Rhif Est/Extn. No. [REDACTED]

E-bost/E-mail: [REDACTED]

Fy Nghyf/My Ref: CD/MT

Eich Cyf/Your Ref:

Dyddiad/Dote: 3 January 2020



Dear Sir/ Madam

Please see below the Mid and West Wales Fire & Rescue Service's response to the Local Government and Elections (Wales) Bill:-

Background

Matters pertaining to FRA governance and funding have been discussed and debated between Welsh Government and strategic leaders from Welsh FRA's and FRS's over the past few years. These issues formed the basis for the WG's 2018 White Paper 'Reform of Fire and Rescue Authorities in Wales' and were either dismissed out of hand or attracted little support from responders. When considered against the backdrop of the previous White Paper it would appear that the provisions outlined in the draft Local Government and Elections (Wales) Bill lack both a reliable evidence base and public support.

Section 162

Section 162 proposes changes to the Fire and Rescue Services Act 2004 in order to remove the requirement for a public enquiry in certain circumstances. The 2018 White Paper made specific reference of the need to ensure that democratic accountability and transparency sit at the heart of public sector governance in Wales. The amendments proposed within the Local Government and Elections (Wales) Bill would negate the need for a public enquiry except where the Combination Order were to be revoked or changes to FRA boundaries. It is difficult to see how this will lead to clearer or more accountable leadership or more sustainable funding for FRA's as claimed within the accompanying Explanatory Memorandum. It appears that these statements are neither accurate nor evidence-based and thus do little to further the debate that the proposed changes will result in improvements to FRA governance or funding arrangements and thus benefit the communities they serve.

Prif Swyddog Tan
Chief Fire Officer
Chris Davies ofSM MBA

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HOFFI I LYNNHANNU I EIn Ngesuon
Yn ...@ Dlogalwch
111D ♦ Our Safety
LIKE FOLLDW ILLIAM Messages

Rydym yn CIOesawu gohebiaeth yn
y Gymraeg a'r Saesneg - byddwn yn
ymeteb yn gyfartel i'r ddau ac yn eteb yn
elch dewls lath heb oedi.

Rydym yn croesawu galwadau yn y
Gymraeg a'r Saesneg.

We welcome correspondance in Welsh
and English - we will respond equally to
both and will reply in your language of
choice without delay.

We welcome calls in Welsh and English.

Section 163

The proposal to move away from the current performance management arrangements under the 2009 Measure are broadly supported although there is little detail contained within the Bill. The current arrangements are unsuited to a FRA context, a view that was reinforced by responders to the 2018 White Paper. Thus, there is support for a new performance management system which is grounded in the National Framework for FRS's. The new performance management system should however reflect and acknowledge the differences in risk within communities and the regional approaches to holistic prevention strategies.

Summary

The 2018 White Paper also made reference to the high performing nature of the FRA's in Wales and it is clear that all Welsh FRA's have played their part in reducing costs over the past decade. Similarly, the FRA's have fully embraced public sector change which can be evidenced through the adoption of a statutory duty for flood and water rescue incidents, National Resilience, Fire Medical Response, Public Service Boards and a comprehensive prevention and education programme. From a budgetary perspective funding for FRA's accounts for c.1% of public sector spending in Wales and thus there are limited opportunities to realise genuine efficiencies. There is significant scope however to impact negatively on a vital and trusted public service which has led the way on community safety and prevention initiatives.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Chris Davies', written in a cursive style.

Chris Davies QFSM MBA
Chief Fire Officer

LOCAL GOVERNMENT AND ELECTIONS (WALES) BILL

1. Evidence Submitted By South Wales Fire and Rescue Authority

1.1 South Wales Fire and Rescue Authority appreciates the opportunity to comment on the draft Local Government and Elections (Wales) Bill issued at the end of November. It is intended to deal with comments under two headings, the first being generic comments on the Bill and the second, specific comments on fire and rescue specific provisions within the Bill itself.

2. Generic Comments

2.1. It is noted that much of the Bill appears at first sight to apply only to Councils, with just a few specific sections dedicated to the Fire and Rescue Authorities. However, on closer scrutiny, it is important to note that there are many provisions within the Bill that are applicable to “authorities connected with the Council”. Under this definition, community councils and national parks authorities are specifically referenced under the specific provisions in the Bill, yet the Fire and Rescue Authorities appear to have been consciously omitted. The reason this appears to be a conscious decision is that in the original draft of the Local Government (Wales) Bill issued in 2016, where some of the provisions have been lifted from word for word, the Fire and Rescue Authorities were specifically included in many of the provisions as a body connected to Councils. The Fire and Rescue Authority is comprised of wholly local authority appointed members and receives the majority of its funding through its constituent local authorities. It is therefore, by definition an authority connected Councils.

2.2 An example of this omission would be Part 3 Chapter 2 of each of the respective Bill’s covering public participation in local government. In the 2016 version of the Bill, the Fire and Rescue Authorities were specifically included within the definition of an authority connected to the council and therefore bound by the requirements in promoting public participation in local government and other requirements contained therein, yet in the 2019 Bill, this reference has been omitted. Whilst it is accepted that for this specific example, the vast majority of fire and rescue authority users do not consciously choose to utilise their services, doing so purely in an emergency situation; but this does not address the fact that it is unclear as to the rationale for the exclusion of Fire and Rescue Authorities from the definition for other relevant aspects of the Bill.

2.3 There are also other parts of the Bill that have the potential to impact upon Fire and Rescue Authorities, because of the way they are required to operate in the same way as local authorities by virtue of legislation. For example, Fire and Rescue Authorities are under the same obligations to publish notice of meetings as local authorities, yet the changes detailed by virtue of s.56 and Schedule 4 of the Bill appear to exclude Fire and Rescue Authorities from the ability to publish such notice electronically. In addition, as Fire and Rescue Authorities operate

under identical provisions as local authorities for meetings, it would be beneficial for us to have the same working practices, to include electronic publication of notices and electronic service of summonses. It is considered to be a detrimental step not to fully embrace the digital age for Fire and Rescue Authorities at the same time as local authorities. It is noteworthy that all the provisions within Part V of the Local Government Act 1972 apply to Fire and Rescue Authorities as well as local authorities, and therefore, unless there is a proposal to break Fire and Rescue Authorities links with local authorities (of which there is none within this Bill), then this consistency should continue.

- 2.4 It is also noted that s.53(7&8) provides that the Welsh Ministers may by regulations make provision for Fire and Rescue Authorities to broadcast their meetings electronically and it is recognised that this would create a financial burden on Fire and Rescue Authorities to do so. However, it is the Fire and Rescue Authority's understanding that local authorities had Welsh Government funding made available to them to facilitate the installation of necessary infrastructure for this, which at the time was not made available to Fire and Rescue Authorities. It is therefore suggested that to create parity amongst public services, necessary funding will be required to deliver this capability to ensure that it does not fall as a burden to local authority funders.
- 2.5 Turning next to the provisions of s.66 & 67 of the Bill (family absence for members of local authorities and the duties of leaders of political groups in relation to standards of conduct of members), these provisions also only appear to relate to local authority roles and have again been omitted for Fire and Rescue Authority roles. The principles and obligations of members under the code of conduct apply equally to Fire and Rescue Authority members as they do to local authority members, with members being subject to the same standards committee and Ombudsman interventions if appropriate. It would therefore be wholly appropriate for these provisions to extend to members of Fire and Rescue Authorities in addition to local authorities. This would then have the positive effect of having consistent standards and expectations across connected public sector organisations. Similarly, the provisions for family absence for a local authority member and family absence for a Fire and Rescue Authority member should also be consistent, as to do otherwise could be argued to be discriminatory.

3. Fire and Rescue Authority Specific Comments

- 3.1 It is noted that s.162 – 164 of the Bill deal specifically with fire and rescue related provisions. Looking first at s.162, this makes very specific changes to ss.2 & 4 of the Fire and Rescue Services Act 2004. It is fair to say that the Authority has some grave concerns about the purpose of these changes, which were highlighted by the Authority during the 2016 consultation on the then Local Government (Wales) Bill when similar provisions were included.

- 3.2 In its current form, the relevant 2004 provisions require a public inquiry to be held where changes are proposed to any of the elements of the Combination Scheme Order that establishes the Fire and Rescue Authority and Fire and Rescue Service for the respective area unless the respective Fire and Rescue Authority affected by the proposals agree to the changes.
- 3.3 However, the proposed amendments would mean that a public inquiry would only need to be held if the Combination Scheme were to be revoked in its entirety or there were to be a change to the combined geographic area. This has the consequence that an inquiry would not need to be held (where it previously would have been) for any changes to the funding mechanisms of the Fire and Rescue Authorities, its governance structures and systems, the appointment of officers, the use of local authority services and the application of various legislative provisions.
- 3.4 These protections were put in place for a reason when the 2004 legislation was enacted, and that was to ensure due regard was given to the safety of firefighters or the community before changes were implemented that could detrimentally impact on these. This change is an extremely concerning step as it could result in unsuitable or ill thought through changes being made to some of the key areas noted above without sufficient inquiry, debate, scrutiny or challenge. It is also noted that these changes are once again being proposed against the backdrop of consultations on the potential reform of governance and funding mechanisms for fire and rescue authorities in Wales (the 2018 White Paper on reform of the Fire and Rescue Authorities in Wales governance and funding arrangements) and therefore has the potential to be perceived as a back door attempt to either avoid public inquiry, scrutiny challenge or to implement changes that garnered no support in the previous White Paper.
- 3.5 In relation to proposals to move away from the performance requirements contained within the Local Government Measure 2009, this is something that is welcomed and has long been argued for within the fire and rescue sector as the current regime was not designed for an emergency response and prevention style organisation. Again, the link to a new performance regime being aligned to the requirements of the National Framework for fire and rescue are supported and will more properly focus on what is important from a delivery perspective, which is missing from the current regime.
- 3.6 The proposals within s. 163 (detailing the new s.21A FRSA'04 provisions) are broadly supported, although there are several aspects which are considered not sufficiently strategic enough and could inhibit the ability of Fire and Rescue Authorities to determine key areas of focus. Whilst a new system is welcomed, this should not be so prescriptive as to hinder how a plan is developed. Therefore, there should be flexibility in its lifespan and detail, as many priorities will involve behaviour change which can take a considerable period of time to

influence. It is therefore considered that detailing key priorities and objectives is important, but specifying actions under each of these at this strategic level is not appropriate (s.21A(3)(c)). These should more properly sit at an operational level feeding in to the higher level strategic plan, they should also be fluid enough to change as required. It is noted that actions to achieve priorities could be considerable in number and it would be inappropriate to detail all of these in a strategic level plan.

- 3.7 A natural consequence of this means that it may not be appropriate, as detailed within s.21A(4) for clear parameters to be detailed on how performance assessment will be measured or assessed. Given the different risk profiles within the three Fire and Rescue Authority areas there is likely to be some difference between each of the Fire and Rescue Authorities on what their priorities are. There is also likely to be considerable subjective performance evidence, especially with regard to preventative work, where standard methods of assessment of performance (such as key performance indicators) will not be appropriate.
- 3.8 It is therefore suggested that this section requires some further review (in consultation with the Fire and Rescue Authorities) to keep it strategic in nature and avoid prescriptive requirements on the plan content or assessment of performance.



RESPONSE BY MID AND WEST WALES FIRE AUTHORITY TO THE LOCAL GOVERNMENT AND ELECTIONS (WALES) BILL

This is the response of Mid and West Wales Fire authority to the proposals set out in the Local Government and Elections (Wales) Bill. As a preliminary comment, the Fire Authority wishes to state that it is always happy to look at ways of improving, and improving the delivery of services to the people of Mid and West Wales. However, it is also felt that any such changes should be for the better, and based upon clear evidence of the need for improvement.

The Bill was published on the 18th November 2019, and is a substantial document of 176 pages and 683 pages of accompanying documents, and deals with a wide range of significant matters relating to Local Authorities, including Fire and Rescue Authorities. The Fire Authority is of the view that it is disappointing, and not conducive to principles of openness and co-operation that the deadline for responses to such a large and significant piece of legislation was set for the 3rd January 2020, which was a short turn around in any event, but which has been exacerbated by the consultation period being over the festive season.

The first part of the response relates specifically to the impact upon the Fire Authority, whilst the second part relates to the impact upon public bodies and local government also generally relevant to Fire Authorities.

IMPACT UPON FIRE AUTHORITIES IN WALES

1. There has already been extensive proposals for reform of Fire Authorities by the Welsh Government in the form of the White Paper in 2018 'Reform of Fire and Rescue Authorities in Wales'. It is understood that this received considerable interest and a high level of response, which virtually unanimously indicated that the existing Welsh Fire authorities were performing well, delivering a high quality service and were not in need of significant change either to their operation or governance. The Fire Authority is of the view that it is disappointing that this does not seem to have been acknowledged by the Welsh government, who in the face of little public support, nor evidence to support change, nevertheless seems intent on seeking to make changes to the administration of Fire Authorities in Wales, and to diminish public consultation and involvement in any future proposals for change.
2. Section 162; specifically in the context of public consultation and involvement, section 162 of the Bill proposes changes to the Fire and Rescue Services Act 2004 in order to remove the requirement for a public inquiry regarding changes to Fire Authorities in Wales to only be required if they related to the revocation of the Combination Order, or the area served by the Fire and Rescue authority concerned. The Explanatory memorandum states that this is proposed as holding an inquiry is considered to be 'time consuming and obstructive'. The

Fire Authority considers that it is hard to see on what evidence this assertion is made, as there is no evidence provided to suggest that an inquiry could be not be concluded expeditiously, nor that an inquiry would be 'obstructive'. The memorandum also states that 'modest reform proposals', could be implemented, though it does not seek to describe what amounts to a 'modest' proposal, nor what would happen if any proposals were not objectively capable of being deemed 'modest'. These are clear flaws in the proposals, and indeed it is to be assumed that inquiries presumably enhance and facilitate good decision making, and if proposals are impractical or ill thought out, or unreasonable, an inquiry would act as an open and efficient brake or filter on any such proposals, and are consequently very much in the public interest. Accordingly, on this ground alone, the proposal to remove the need for an inquiry is not supported. However, when the purposes underpinning the existence of Fire Authorities are addressed, namely the safety and well being of the public, it is clearly in the public interest that the citizens of Wales have a full opportunity to put their views forward for public consideration in an open, impartial tribunal. The desirability of such a process presumably figured highly in the minds of the drafters of the existing legislation, and indeed the requirement for an inquiry clearly embodies the principles of public life advanced by Lord Nolan, namely Objectivity, Accountability and Openness. There are no good reasons put forward for the changes, and they indeed manifestly contravene the Nolan principles stated above, and in the light of this, they are strongly opposed by the Fire Authority.

3. Section 163; The proposals reform the existing performance management arrangements are broadly supported by the Fire Authority, though they are not set out in any significant detail. Furthermore as they also impact upon the management of Fire Services, and the Fire Authority would fully support the response of it's Chief Fire officer in this respect, and would urge close co-operation and liaison on any new management systems adopted. However the Fire Authority welcomes the broad requirements, and also that the creation and adoption of the plan will be a legal requirement of the Fire Authority, and as such will recognise the valuable input of the Fire Authority members into this essential performance and governance document. The Fire Authority also welcomes the positive consultation duties set out in the section regarding the regulations relating to the assessment and reporting on the performance of an Authority.
4. In conclusion regarding the proposals directly affecting the Fire Authority, the proposals set out in section 162 are not supported, as they clearly undermine openness, accountability and objectivity in dealing with a vital public service, for no good or identified reasons. However the proposals in section 163 are broadly supported as being reasonable and conducive to good governance and performance.

IMPACT UPON PUBLIC BODIES/LOCAL GOVERNMENT GENERALLY RELEVANT TO FIRE AUTHORITIES

Part 1. Elections. Generally this is a matter for Local Authorities, though the Fire Authority would support the view that any voting system should be clear and understandable, and that it should be common to all local authorities. The Fire Authority would also support 5 year electoral cycles. The Fire Authority does not support the proposal to allow council or other public bodies staff to stand for election as it would raise significant issues regarding impartiality and potential conflicts of interest.

Part 2. General Power of Competence. The Fire Authority would support a general power of competence, particularly if this were granted to Local Authorities, to ensure parity between public bodies.

Part 3. Promoting Access. The Fire Authority supports the proposals to encourage local people to participate in Local Government, and the introduction of petition schemes. The Fire Authority also supports the proposals regarding publication of official addresses of members. Regarding electronic broadcasting of meetings, this is broadly supported by the Fire Authority, as is the proposal for remote attendance, as it would help address issues of attendance at meetings by members of the public and Fire Authority who are geographically remote from the venue of the meetings in question. However these proposals would need to be fully evaluated to ensure safeguards are in place to ensure the lawfulness of meetings where there is a disruption or interruption due to technical issues, and also to address the significant costs that may be incurred in implementing such proposals. It would also be helpful if explicit reference were made to Fire Authorities in all aspects of the proposed changes eg regarding the ability to publish notices of meetings electronically.

Part 4. Local Authority Executives, Members, Officers and Committees. These provisions generally only impact upon Local authorities, but the Fire Authority would support the proposal that leaders of political groups take steps to promote and maintain high standards within their groups, and possibly widen this to include working with other group leaders to achieve the same end.

Part 5. Collaborative Working by Principal Councils. At this stage it would appear that this only directly impacts upon Principal Councils. However if they did impact upon Fire Authorities now or at any stage, then the Fire Authority would welcome full consultation of the role and input of Fire Authorities to any collaborative working.

Part 6. Performance and Governance of Principal Councils. This again appears to only impact on Principal Councils, and also potentially overlaps regarding Fire Authorities with section 163.

Part 7 . Mergers and Restructuring of Principal Areas. Again this is addressed at Local Authorities, and as far as the Fire Authority is aware is not an issue for Fire and Rescue Authorities.

Parts 8 and 9. Finance and Miscellaneous Reforms. The provisions relating to Fire Authorities have been dealt with above. The Fire Authority would support the removal of the powers of the IRPW over Chief Officer salaries, as this is felt to restrict the freedom of the Authority to deal with issues of salary and recruitment and retention of chief officers.

As a general observation it would also be helpful if, again as mentioned above, cogent steps were taken to ensure parity of treatment between Fire Authorities and Local Authorities such as electronic publication of notices, summonses etc