

Rebecca Evans AS/MS

Y Gweinidog Cyllid a Llywodraeth Leol

Minister for Finance and Local Government



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref RE/00114/23

Finance Committee

Senedd Cymru

Cardiff Bay

Cardiff

CF99 1SN

03 April 2023

Dear Committee Members,

I thought it might be helpful to respond to points made in committee and in the plenary debate on the Local Government Settlement on the level of information the Welsh Government publishes on the calculation of the settlement distribution.

I am committed to transparency over the local government settlement. I recognise that it is complex, and my officials and WLGA officers have been strengthening efforts to communicate how the settlement works by offering more information sessions to local elected members and officers and to the Society of Welsh Treasurers. As you know my officials also offer a presentation to the Local Government and Housing Committee on the formula every year ahead of the provisional local government settlement. I have asked them to ensure that this offer is made more widely, and certainly to the Finance Committee as well for the forthcoming year.

In terms of what information [has been published](#) for many years, the Local Government Finance report (which is also laid before the Senedd) contains much of the detail within the settlement such as the basis of calculations for the components of Revenue Support Grant (RSG), Non Domestic Rates (NDR) and Standard Spending Assessment (SSA) and also the indicators and values used in the calculations.

In addition to this, the Green Book is published in relation to each year. Those for [2021-22](#) and [2022-23](#) have recently been published, and for 2023-24 will be published shortly. While it is possible to derive each element of the calculation from the Green Book I recognise this would take some effort. As part of improving the transparency and understanding of this important aspect of Local Government funding, the structure of the Green Book for 2021-22 onwards has been improved significantly in terms of accessibility and the amount of information contained within it. The background information is presented distinctly in a PDF, and there are separate workbooks detailing the indicators and services indicator based assessments (IBAs). Within these the formulae are presented for calculating the SSA for the main service areas:

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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.

- education
- personal social services
- fire
- transport
- other services
- council tax reduction schemes
- debt financing

In closing, I am clear that the raising of awareness and understanding is an ongoing process and that understanding is necessary to support appropriate scrutiny and development both within local government and through the Senedd. WLGA and my officials will continue to promote understanding. I will inform the committee of any further developments as they transpire.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive, flowing style.

Rebecca Evans AS/MS

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