

Finance Committee
Y Pwyllgor Cyllid

Cynulliad
Cenedlaethol
Cymru
National
Assembly for
Wales



To Consultees

Cardiff Bay
Cardiff
CF99 1NA

2 February 2012

A call for evidence – Prudential Borrowing and innovative approaches to capital funding.

The Finance Committee is calling for information to help inform our inquiry into the use of prudential borrowing by Welsh local authorities and other organisations and innovative approaches to capital funding. Our findings will be shared with the Silk Commission, to help their work on financial accountability.

The inquiry's Terms of Reference

The purpose of this inquiry is to consider aspects of financing and funding of devolution in Wales with a view to informing the Part 1 report of the Silk Commission. The Committee will explore the following two specific issues:

- The extent to which the Welsh Government could be granted borrowing powers, looking at lessons learnt from the experience of local authorities current borrowing powers; and
- Consider innovative mechanisms which could be utilised by the Welsh Government to lever capital funds for infrastructure projects, without negatively impacting on the Welsh block, including the extent to which current borrowing powers of local authorities and other organisations could be utilised.

The Committee would welcome your views on any or all of the following points:

- measures taken by local authorities to determine and keep under review their prudential borrowing limits and how this is undertaken;

- differing levels of prudential borrowing used by local authorities in Wales and any reasons for such differences;
- an overview of the nature of projects for which unsupported borrowing has been used, and whether there are particular reasons for such;
- lessons learned from local authorities on prudential borrowing including the long term impact of repayments;
- how local authority borrowing could be used to boost the levels of capital available for Welsh infrastructure;
- any alternative measures being considered by local authorities to finance capital expenditure;
- alternative mechanisms of leveraging capital funding being considered by the Welsh Government in the preparation of their Infrastructure Plan, including the possibility of boosting borrowing by local authorities and other organisations;
- exploring innovative capital models proposed elsewhere in the UK, how these have been developed, utilised, and, where possible, how they have performed.

Providing information to the Committee

Interested parties are invited to submit written evidence to the Clerk of the Finance Committee at the above address, to arrive by **Thursday 1 March 2012**. If you wish to contribute but are concerned that you won't be able to meet this deadline, please speak with the Clerk of the Committee on 029 2089 8597.

If possible, please supply an electronic version in MS Word or Rich Text format, by e mail to FinanceCommittee@wales.gov.uk by **Thursday 1 March 2012**.

Disclosure of Information

Witnesses should be aware that once written evidence has been submitted to the Committee it is treated as the property of the Committee.

The Committee welcomes contributions in English or Welsh, and we ask organisations with Welsh Language policies/schemes to provide bilingual submissions, in line with their public information policies.

It is the Committee's intention to place written evidence on its website, and it may subsequently be printed with the report. The National Assembly will not publish information which it considers to be personal data with the exception of personal opinion and personal data relating to your identity as author of the evidence and the capacity, if any, in which you provide the evidence (for example, a job title).

However, in the event of a request for information (which includes personal data) being submitted under the Freedom of Information Act 2000, it may be necessary to disclose, in whole or in part, personal data that you provide. This may include

personal data which has previously been removed by the National Assembly for publication purposes (as described in the paragraph above).

If you are providing any information, other than personal data, which you feel is not suitable for public disclosure, or if you do not wish your identity, as author of the evidence, to be disclosed, this must be clearly identified and it is up to you to stipulate which parts should not be published, and to provide a reasoned argument to support this. The National Assembly will take this into account when publishing information or responding to requests for information.

Further information about the Finance Committee and its call for information can be found at: www.assemblywales.org

Yours sincerely

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

Jocelyn Davies
Chair, Finance Committee

Annex 1

Welsh Government
Colleges Wales
The Princes Trust
Wales Council for Voluntary Action
Bevan Foundation
Cymru Yfory
Economic and Social Research Council
Joseph Rowntree Foundation
Jobcentre Plus
Finance Wales
Big Lottery Fund
Hyfforddiant Parys Training
Careers Wales Association
Cyrenians Cymru
Wales Co operative Centre
Remploy Limited
Regeneration Investment Fund for Wales LLP
Cymdeithas Tai Eryri
Forestry Commission Wales
Menter Mon
Chwarae Teg
UK Steel Enterprise Limited
Parc Busnes Treorci
Sustrans
Higher Education Funding Council for Wales
Countryside Council for Wales
Skills for Justice
Ymddiriedolaeth Nant Gwrtheyrn
Waste and Resources Action Programme
Constructing Excellence in Wales
National Trust
Coalfields Regeneration Trust
Wales Co-operative Centre
Pakistan Association of Newport & Gwent Welsh Asian Council

Local Authorities

Blaenau Gwent County Borough Council
Bridgend County Borough Council
Caerphilly County Borough Council
Cardiff County Council
Carmarthenshire County Borough Council
Ceredigion County Council
City and County of Swansea
Conwy County Borough Council
Denbighshire County Borough Council
Flintshire County Borough Council

Gwynedd Council
Isle of Anglesey County Council
Merthyr Tydfil County Borough Council
Monmouthshire County Borough Council
Neath Port Talbot County Council
Newport City Council
Pembrokeshire County Council
Powys County Council
Rhondda Cynon Taff County Borough Council
Torfaen County Borough Council
Vale of Glamorgan Council
Wrexham County Borough Council

Further Education Colleges

Barry College
Bridgend College
Coleg Ceredigion
Coleg Glan Hafren
Coleg Gwent
Coleg Harlech
Coleg Llandrillo Cymru
Coleg Menai
Coleg Morgannwg
Coleg Powys
Coleg Sir Gâr
Deeside College
Gower College Swansea
Llysfasi College
Merthyr Tydfil College
Neath Port Talbot College
Pembrokeshire College
St David's Catholic College
Yale College Wrexham
Ystrad Mynach College

Official Agencies

Care Council for Wales
Children's Commissioner for Wales
Older People's Commissioner for Wales
Equality and Human Rights Commission
Health and Safety Executive
Wales Audit Office
Welsh Language Board
Welsh Local Government Association

Universities

University of Wales
Aberystwyth University
Swansea University

University of Glamorgan
Bangor University
Cardiff Business School

Other

CBI Wales/Cymru
Alliance of Sector Skills Councils Wales
Wales TUC
Federation of Small Businesses
Venture Wales
NESTA

Housing Organisations

All Wales Chief Housing Panel (AWCHOP)
All Wales Housing Technical Panel
Age Cymru
Agorfa Cefni
Cadwyn Housing Association
Caerphilly CBC
Cardiff Council
Ceredigion Rural Housing Enabler
Chartered Institute of Housing Cymru
Citizens' Advice Bureau
Community Housing Cymru
Council of Mortgage Lenders
Cymdeithas yr Iaith Gymraeg
Cymorth Cymru
Diverse Cymru
GENuS Consortium
Home Builders Federation
Landlord Accreditation Wales
Leadbitter Western Housing Division
Mid Powys Rural Housing Enabler
Mid-Wales Housing Association
National Landlords Association
NEA Cymru
Pembrokeshire Coast National Park Authority
Pembrokeshire Housing
Principality Building Society
Professor Steve Wilcox
Royal Institution of Chartered Surveyors
Royal Town Planning Institution Cymru
Savills (L&P) Limited
Seren Group
Shelter Cymru
Snowdonia National Park Authority
The National Homelessness Network

The Wallich
TPAS Cymru
Wales Co-operative Centre
Welsh Tenants Federation