

Mark Drakeford AM/AC
Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol
Cabinet Secretary for Finance and Local Government



Llywodraeth Cymru
Welsh Government

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Nick Ramsay AM
Chair, Public Accounts Committee
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10 May 2017

Dear Nick

Thank you for your letter of 10 April, in which you set out the Public Accounts Committee's comments on the recent White Paper 'Reforming Local Government: Resilient and Renewed'.

I am grateful for the useful observations made by the Committee and will reflect on them alongside the wide range of other responses received to the consultation. I intend to publish a summary of the responses and to make a statement on the way forward in due course.

I note the Committee broadly welcomes the introduction of a 'General Power of Competence' for principal local authorities and the opportunity this will provide for innovative approaches to meeting the needs and aspirations of their communities.

I note the Committee welcomes the review of community and town councils, which I am establishing. I agree that the financial and governance issues which have been identified by the Auditor General for Wales should be part of the review's considerations. The Auditor General's reports will be an important part of the evidence base available to the review.

I appreciate why the Committee considers the General Power of Competence should not be available to community and town councils until the review has been undertaken and its recommendations implemented. However, under our proposals, the power will only be available to those councils which satisfy certain conditions, including being able to demonstrate that the two most recent Auditor General for Wales' opinions on the council's accounts have been unqualified.

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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.

The preferred approach for regional working set out in the White Paper is for certain functions, for example, transport planning and strategic land-use planning to be undertaken on an economic development footprint. For other functions, such as public protection, local authorities would have flexibility to determine the collaborative footprints within a statutory framework prescribed in legislation, with the intention of removing overlap and promoting simplicity as far as possible. This will enable authorities to come together to put in place arrangements that best suit local circumstances. Where appropriate, they will be able to build on existing arrangements, such as the regional educational consortia to which you refer.

I agree the importance of having a clear and consistent approach to the governance, accountability and funding of regional arrangements. Again, I intend to provide a statutory framework for this within the proposed Bill. As indicated in the White Paper, my officials will be working closely with the Welsh Local Government Association and the Society of Local Authority Chief Executives to develop an appropriate governance framework, drawing on their knowledge and experience of existing arrangements.

Our proposals represent an evolution of existing arrangements, but one which puts them on a clear, consistent basis. I will be considering carefully what all stakeholders have to say about the proposals.

Our wider reform proposals recognise the importance of local councillors as leaders and advocates for their communities. They will have an important role in holding to account those responsible for decisions and the delivery of services and in supporting constituents when things go wrong. As I have said previously, the 22 existing local authorities will remain the means through which citizens access services and the democratic bodies to which they will continue to direct any concerns.

Like you, I am copying this letter to John Griffiths AM, Chair of the Equality, Local Government and Communities Committee.

Yours sincerely



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