

FAO: Chair, Petitions Committee, National Assembly for Wales

Dear David,

PETITION P-05-840 Fair Funding for Local Authorities

In response to the above submitted by Unison and your request for comments please find below Caerphilly CBC's response.

To ensure that a balanced budget can be delivered for the 2019/20 financial year Caerphilly CBC is currently consulting on a package of proposed savings totalling £15.6m, including the following: –

- The Council has strived to protect schools from the full extent of cuts in recent years. As things stand, we will be unable to repeat that for 2019/20 with schools facing a savings requirement of £2,136k. This will inevitably have an impact upon staffing levels in schools, possibly exacerbated by the sharp increase in employer contributions for teacher's pensions. This puts further financial pressures on schools, many of which are already in deficit positions.
- Reductions in street cleansing and highways maintenance budgets (proposed cut of £1,963k).
- Reduced spending on libraries, community education and day care provision (proposed cut of £820k). In the medium to longer-term a review of library provision will be undertaken.
- Cessation of the community safety warden service (proposed cut of £355k).
- Cessation of the Barnardo's family support contract (proposed cut of £189k). This will directly impact on family support services.
- Cessation of the meals on wheels service except for Section 117 clients (proposed cut of £141k).
- Closure of two civic amenity sites with the remaining 4 sites to close an additional day per week (proposed cut of £136k).

- Further increases in schools meal prices (£104k).
- Closure of the remaining 5 public toilets (proposed cut of £74k).
- Closure of 4 community centres (proposed cut of £23k).
- Withdrawal of caretaker funding for remaining community centres (proposed cut of £97k).
- Reduction in the music service budget (proposed cut of £50k).
- Reduction in the events budget (proposed cut of £47k).

In the medium to longer-term services across the Council will be subject to review with consequential reductions in service levels being inevitable. The challenging financial position will inevitably directly impact on jobs. For the first time since its inception in 1996, Caerphilly CBC has sought expressions of interest from staff covering a range of options including reduced hours, voluntary severance, flexible retirement and early retirement. The expressions of interest received are currently being reviewed in detail to establish whether they are viable from a financial, operational and organisational perspective. This will help with the immediate financial pressures for 2019/20; however, whilst compulsory redundancies remain an option of last resort they will be increasingly unavoidable in the medium to longer-term due to the scale of the financial challenge. This compounds the problem as there is a one-off cost of releasing staff. This cost will reduce the Authority's ability to fund capital schemes like the 21st Century Schools Programme meaning that the planned investment of £79.8m is unlikely to go ahead in total.

Caerphilly CBC's Draft Savings Proposals are a direct result of the Welsh Government's draft budget and provisional local government settlement published on the 9th October 2018. It is the Leader's view that the disproportionate investment proposed for the NHS is detrimental to social care services and the wider preventative health services that local council's provide. This will result in the decimation of many of these preventative services that are valued by our vulnerable communities and as a direct consequence only add to the pressures faced by the Health Service.

The First Minister wrote to the WLGA and local authority leaders on the 20th November confirming a package of additional funding proposals for local government totalling £141.5m that will be included in the final WG budget. However, this funding package is a mixture of capital and revenue over a three year period presenting only limited scope to support the revenue budget setting process for the 2019/20 financial year.

There is still time to correct this position prior to the final Welsh Government budget and final local government settlement and the possibility of prioritising further resources for local government arising from the Chancellor's budget/autumn statement.

Regards

Christina

Christina Harrhy

Prif Weithredwr Dros Dro | Interim Chief Executive

Cyngor Bwrdeistref Sirol Caerffili | Caerphilly County Borough Council