
8th Meeting of the Finance Sub Group of the Partnership Council for Wales
Wednesday, 3 February 2016
Conference Room C, Tŷ Hywel, Cardiff Bay
Minutes

Members

Leighton Andrews AM, Minister for Public Services
Cllr Aaron Shotton - Flintshire, WLGA Spokesperson for Finance & Resources
Cllr Anthony Hunt - Torfaen, WLGA (deputising for Cllr Bob Wellington)
Cllr Bob Greenland - Monmouthshire, WLGA (deputising for Cllr Peter Fox)
Cllr Neil Moore - Vale of Glamorgan, WLGA
Cllr Andrew Morgan - Rhondda Cynon Taff, WLGA
Cllr Jamie Adams - Pembrokeshire, WLGA

Attending

Cllr Wynne Evans - Chair, Fire & Rescue Authorities, Wales
Mr Geoff Petty - Chief Finance Officer, PCC South Wales (representing Alun Michael)

Welsh Government Officials

Alex Rawlin - Special Adviser
Reg Kilpatrick - Director, Local Government
Debra Carter - Deputy Director, Local Government Finance Policy
Judith Cole - Reforming Local Government Programme
Rob Hay - Local Government Finance Policy
Alan Storey - Local Government Finance Policy (note-taker)

Local Government Officers

Steve Thomas - Chief Executive, WLGA
Nigel Aurelius - Finance Director, Torfaen, WLGA

Apologies

Cllr Dyfed Edwards - Gwynedd, WLGA
Cllr Brendan Toomey - Merthyr Tydfil, WLGA
Cllr Bob Wellington - Torfaen, WLGA
Cllr Peter Fox - Monmouthshire, WLGA
Rt Hon Alun Michael - Police and Crime Commissioner for South Wales, PCCs

Agenda Item 1: Welcome and Introductions

1. The Minister for Public Services welcomed members to the meeting and noted the apologies detailed above.

Agenda Item 2: Minutes and Matters Arising from Previous Meeting (Paper 1)

2. Members agreed that the minutes of the meeting held on 28 September 2015 were a true and accurate reflection of discussions and were accepted as the record. There were no Action Points from the meeting.

Agenda Item 3: Distribution Sub Group (DSG) Work Programme (Paper 2)

3. Rob Hay presented the paper, outlining the DSG Annual Work Programme for 2016. There had been one DSG meeting so far this calendar year and the programme had been formulated for FSG agreement.
4. On behalf of Local Government, Cllr Hunt welcomed the broad direction of the programme for 2016. Local Government asked that the work programme also include consideration of the use of historical expenditure data within the model. It was agreed that this would be explored as part of the DSG work programme with input from the Welsh Government's Statistical Directorate.

Action: The use of historical expenditure data within the model to be explored as part of the DSG work programme with input from the Welsh Government's Statistical Directorate.

Agenda Item 4: Update on the Resource Efficiencies Group (Paper 3)

5. Reg Kilpatrick introduced the paper, giving an update on the work of the Resource Efficiencies Group. He emphasised that the Group was concentrating on four main areas – Income Generation, Support Service Transformation, Benchmarking and Asset Rationalisation.
6. Mr Kilpatrick confirmed the Group had established that there was some good work going on within some Authorities within the four categories. However, engagement across Local Government varied and there was evidence that some Authorities were unwilling to work together on some aspects. He and Steve Thomas (WLGA) were meeting Chief Executives in the different regions to discuss potential projects, and key actions already underway. They would also seek feedback on how the regional groupings were taking forward the transformation agenda.
7. The Efficiencies Group had discussed the benchmarking work and the General Power of Competence and how these could be applied. It was also recognised that, taking Wales as a whole, there was a large portfolio of public sector assets worth several billion pounds. As an example, work was underway in RCT to identify land in public ownership not just for disposal but for future use to support wider objectives. There needed to be more widespread consideration of these types of opportunities.
8. The Minister acknowledged the progress of the Group but said that there needed to be much greater buy-in from Authorities.
9. Cllr Adams indicated that Pembrokeshire had commissioned the preparation of a diagnostic tool to inform and support activities across the four themes. He was aware that around half of the Authorities in Wales had commissioned similar exercises.

10. The Minister said that it would be useful to know the outcome of this work. The KPMG Report, evidencing the potential for savings, was valuable and showed that opportunities were already there. It would help to know how these issues were being taken forward and the Resource Efficiencies Group was a good way of establishing a reporting base for this information. The WLGA agreed to provide a note.
11. The Group discussed the opportunities afforded through the digitisation of certain services. The Minister emphasised that this was central to Service Transformation. However, it wasn't about technology, it was about how to improve services. He urged all Authorities to task someone within their Cabinets with driving this forward, with the emphasis on better service delivery.
12. Cllr Shotton and Cllr Hunt both gave examples of work going on within their Authorities. Cllr Hunt extended an invitation to the Minister to visit Torfaen to see the progress being made in using digital support to deliver services through the Shared Resource Services it had established with Monmouthshire and Gwent Police. Cllr Shotton invited the Minister to see the work in Flintshire on sharing estate with Department of Work and Pensions and developing "one stop shops".
13. The Minister said that it was important that the points raised were fed into the considerations of the Digital Public Services Working Group which he chairs with the Deputy Minister for Skills.

Action: The WLGA to provide a note on the use of diagnostic tools by Authorities to inform and support transformation activities.

Action: The points raised to be fed into the work of the Digital Public Services Working Group.

Agenda Item 5: Update on the Local Government Settlement

14. Rob Hay confirmed that the Minister published the Provisional Local Government Settlement on 9 December. The consultation period ended on 20 January and officials were considering the responses.
15. The Final Settlement was due to be laid before the Assembly on 2 March and debated on 9 March. Mindful of the timing issues, the Provisional Settlement had reflected the most up-to-date data in order to give Authorities as much clarity as possible. The Minister emphasised that discussions would continue with Authorities to ensure information was made available as early as possible.

Agenda Item 5: Update on Local Government Reform, including the Financial Transactions Regime

16. The Minister noted that, since the last meeting of the Finance Sub Group, a second Local Government (Wales) Bill and related consultation documents had been issued. The consultation period would close on 15 February. The Local Government (Wales) Act 2015 provided the paving legislation. The guidance relating to the provisions preventing inappropriate transactions and inappropriate use of reserves would be issued for consultation over the summer.

17. The Finance Futures Panel met for the second time on 1 February and agreed a work programme for the period until autumn 2017. The Panel also had an update from Professor Tony Travers in his capacity as Chair of the Independent Commission on Local Government Finance in Wales.

Agenda Item 6: Any Other Business

18. There was no additional business and the meeting closed.

19. Date of next meeting – to be arranged.