

**Distribution Sub-Group (2021) Paper 04 – Treatment of datasets
in the 2022-23 settlement**

This discussion paper has been written by officials of the Welsh Government. Ministers have not had an opportunity to comment on the contents. Exemplifications of changes are provided simply to inform discussion by DSG members. They are not Welsh Government proposals or statements of Government policy for or against changes.

Treatment of datasets in the 2022-23 settlement

Summary

1. This paper looks at issues surrounding the datasets used in the calculation of the local government settlement and sets out which datasets have specific limitations, either as a result of the COVID-19 pandemic or as a result of other external factors.

Views Sought

2. Views are welcomed on prioritisation of this work and how best to take it forward.

Recent Related Papers

DSG (2020) Paper 25: Welfare benefits reform update

DSG (2020) Paper 21: Dataset collections impacted by Covid-19 update

DSG (2020) Paper 17: Impact of COVID-19 on settlement datasets

DSG (2020) Paper 12: Treatment of datasets within the 2021-22 settlement and beyond

DSG (2019) Paper 21: Homelessness Indicator

DSG (2019) Paper 20: The impact of universal credit on Housing Benefits Recipients data

DSG (2019) Paper 19: Options paper to remove or reduce the impact of universal credit on the eligible for free school meals distribution indicator

DSG (2019) Paper 18: Assessing the impact of universal credit on the Dependent Children in Out of Work Families data

DSG (2019) Paper 16: Assessing the impact of universal credit on the PLASC FSM data

Background

3. The local government settlement formula uses a number of datasets which have specific limitations, either as a result of the impact of the COVID-19 pandemic or other external factors.
4. Either as a result of changes to data collections or the impact of the staggered rollout of Universal Credit, there are a number of datasets within the settlement calculations that are currently frozen. For those datasets that have been frozen

***Distribution Sub-Group (2021) Paper 04 – Treatment of datasets
in the 2022-23 settlement***

due to the impact of the staggered rollout of universal credit, there is no clear exit strategy from the current position.

5. There are a number of datasets used in the settlement where the data will be impacted by the COVID-19 pandemic. In addition to this, there are a number of datasets for which the collection of data could be impacted by the COVID-19 pandemic.
6. Finally, there are a number of datasets that are, or could be, considered to be out of date. The analysis section of this paper sets out which datasets fall into each of the above categories.

Analysis

7. Table 1, below, lists the indicators that have been frozen as a result of data quality/availability issues.

Table 1: Frozen datasets in the local government settlement

Dataset	Settlement year of frozen data	Reason for freezing	Exit strategy
Pupils eligible for Free School Meals	2019-20	Impact of UC	None
Dependent children in out of work families	2019-20	Impact of UC	None
Housing benefit recipients	2019-20	Impact of UC	None
Total homelessness decisions	2016-17	Data no longer available in its previous form	Assess new data and review formula
Non-PWLB Debt Profiles and average interest rates	2020-21	Data no longer provided in old format	Pool Rate Working Group
Road Length	2020-21	Data not collected due to the pandemic	Await resumption of data collection

8. Members are asked to begin to consider how and when we may look to unfreeze the above datasets.
9. Table 2, below, lists the indicators that may be significantly impacted by the impact of the COVID-19 pandemic, whether this is the data itself or the collection of data.

***Distribution Sub-Group (2021) Paper 04 – Treatment of datasets
in the 2022-23 settlement***

Table 2: Datasets in the local government settlement impacted by the COVID-19 pandemic

Dataset	Nature of Impact
Pupil Level Annual School Census	PLASC Returns are reported on the basis of pupils in school in January. With schools closed at this time, due to lockdown, we need to understand how this will impact the collection and quality of the data.
Those Educated Other Than at School (EOTAS)	Only half of the returns were collected for the 2021-22 settlement, as a result of the pandemic and we need to understand what the potential implications are for the 2022-23 settlement
Tourism	The pandemic has had a huge impact on Tourism and this will be reflected in the 2020 data, which is used in the calculation of the 2022-23 settlement.
Council Tax Reduction Schemes (CTRS)	The caseload for CTRS increased in 2021-22 as a result of the pandemic – funding was provided to local government through the hardship fund.
Revenue Outturn (RO) and Revenue Account (RA)	The implications for the RO and RA data collections are well-documented by DSG and these are being dealt with through a separate work stream.

10. As well as the above, there are a number of datasets which will be impacted by the pandemic that have not been covered. Members are asked to consider whether they feel any specific treatment of the following is required:

- Number of deaths
- Planning applications received
- Traffic flow
- Food and Trading Premises
- Ships arriving at ports

11. There are a number of datasets used in the settlement that are based on Census data and have not been updated since either the 1991 or 2001 Censuses. These fall into three main groups: Settlement indicators, dispersion indicators and caseload indicators. A list of these indicators can be found in the annex. Members are asked whether they would like to consider updating any of these indicators (or group of these indicators) in forthcoming settlements.

12. In addition to these frozen indicators, the economic development index has been frozen since around 2005. Members are asked whether they would like to consider updating this for future settlements.

***Distribution Sub-Group (2021) Paper 04 – Treatment of datasets
in the 2022-23 settlement***

Conclusion

13. Members are asked to consider which data issues should be taken forwards and to discuss prioritisation of this work.

**Local Government Finance and Workforce Partnerships
Welsh Government**

***Distribution Sub-Group (2021) Paper 04 – Treatment of datasets
in the 2022-23 settlement***

Annex

List of census-based settlement indicators

Settlement indicators (1991)

Settlement threshold 1,000

Settlement threshold 7,500

Settlement threshold 12,500

Settlement threshold 30,000

Settlement threshold 40,000

Population within settlement threshold 50,000

Dispersion indicators

Dispersion threshold 2,500 (1991)

Dispersion threshold 5,000 (1991)

Dispersion threshold 300 (2001)

Dispersion threshold 7,500 (2001)

Caseload indicators (2001)

Dependent children in households where head is in a low occupational classification

Dependent children in lone adult households

Dependent children in social rented housing

Dependent children in overcrowded housing

Pensioners living alone in households

Pensioners with a limiting long-term illness

Households where head is aged 18 to 64 with no carer

Adults aged 18 to 64 in non-white ethnic groups

Population aged under 18 in wards with weighted density greater than the Welsh average