Finance Sub Group of the Partnership Council for Wales - Minutes

Wednesday 8 October 2026 09:00-10.00

Hybrid Meeting – Welsh Government office in Cathays Park and MS Teams

Attendees

Welsh Government Ministers

Siân Gwenllian MS, Cabinet Minister for Local Government, Housing and Planning (CMLGHP) – Chair
Elin Jones MS, Cabinet Minister for Finance (CMF)

Welsh Local Government Association

Cllr Lis Burnett (Vale of Glamorgan)
Cllr Dimitri Batrouni (Newport)
Cllr Ben Callard (Monmouthshire)
Cllr Christopher Weaver (Cardiff)
Cllr Gary Pritchard (Ynys Mon)
Cllr Rob Stewart (Swansea)
Cllr Mark Pritchard (Wrexham)
Cllr Simon Knoyle (Neath Port Talbot)

Welsh Local Government Association/ Local Government officers

Dr Chris Llewelyn – Chief Executive, WLGA
Jon Rae – Director of Resources, WLGA
Nathan Gardner – Finance Manager, WLGA
Jane Thomas – S151 Powys Council

Welsh Government officials (excluding Observers)

Judith Cole – Deputy Director, Local Government Finance Policy & Sustainability
Emma Smith – Local Government Finance Policy & Sustainability
Andrea Melvin - Local Government Finance Policy & Sustainability
Simon Edwards - Local Government Finance Policy & Sustainability
Clare Blake – Local Government and Planning
Luke Nicholas – Special Advisor
Shona O'Shea – Private Secretary

Welsh Centre for Public Policy (WCPP)

Helen Tilley – Director of Policy and Practice
Charlotte Morgan – Research Associate
Alexander Jones – Research Assistant

Apologies

Cllr Anthony Hunt (Leader of WLGA, Torfaen)
Jane Mudd (PCC, Gwent Police)
Darren Garwood (Chief Finance Officer, Gwent Police)

Item 1: Welcome and Introductions

1. The CMLGHP thanked members for attending, Apologies from Cllr Anthony Hunt and Darren Garwood were noted.

Item 2: Minutes of last meeting

2. The minutes of the previous meeting were agreed without comment.

Item 3: Update by the CMLGHP

3. The Minister provided an update on Programme for Government commitments directly related to local government, including:

    a. Renewal of the Strategic Partnership Agreement (SPA) between Welsh Government and local government in Wales;

    b. the ongoing review of the local government funding formula, with reference to a separate review by the Wales Centre for Public Policy (WCPP) on the higher-level principles and distribution adopted in other countries or areas; and

    c. the use of legislation to support a thriving rural economy, including the on-going consultation contained in the Rural Proofing and Environmental Sustainability White Paper.

4. The Minister thanked local authority leaders and the WLGA for their continued commitment to working in partnership.

Item 4: Update by the CMF

5. The Minister mentioned that the meeting was well timed given that the draft annual budget was due to be published on 17 November. She confirmed that the budget will have a two-year revenue profile and a three-year capital profile.

6. The Minister stated that the budget was challenging, with a 0.7% decrease in real terms for revenue funding and confirmed that she had made representations to the UK Chancellor for additional resource to maintain services and protect outcomes, as well as calling for further action to support struggling households.

7. The Minister gave an update on local taxation, including recent decisions on business rate support for hospitality and leisure businesses. She mentioned that a statement on council tax reform would be made in the next couple of weeks.

8. The Minister noted that they would need support across the Senedd to pass the budget.

Item 5: WLGA Local Government Financial Outlook

9. Cllr Stewart thanked the Ministers for their updates and reinforced the commitment by local government to work in partnership. He highlighted that the WLGA financial outlook paper did not reflect the additional pressures caused by the fuel cost situation and confirmed that he'd raised this issue in a letter to the Prif Weinidog.

10. Cllr Stewart confirmed that he recognised the difficult budget situation but was optimistic that UK budget consequentials would be forthcoming and made a plea for local government to be given fair consideration in the distribution of any additional funding. He welcomed the announcement on business rate support for high streets but wanted to see further assistance from Welsh Government in relation to tackling illicit traders.

11. The councillor also highlighted the potential risk and uncertainty in relation to making changes to council tax and the settlement funding formula in the same year.

12. Cllr Mark Pritchard asked the CMF to fund local authorities appropriately; highlighting the difficulties in getting locally elected members to support further increases in council tax. The councillor also asked that the CMF consider the financial impact of changes to legislation on local government.

13. Cllr Gary Pritchard noted agreed the issue is the total funding available not just how it is distributed. He welcomed the plans to update data sources where appropriate as part of the formula review. He also noted that multi year settlements would allow authorities to be more strategic and allow funding to be spent more effectively.

14. Cllr Weaver highlighted the importance of funding preventative work. He also raised a concern about the impact of freezing grants that are used, in part, to support increasing staff salaries. If reductions were applied to any grants it would be essential to give early notice to councils; for any potential redundancies, notices would need to be given in January at the latest.

    Cllr Batrouni raised a query regarding demography; highlighting that all local authorities except Newport are projected to have a decrease in their under 15 population by 2032. He asked if future discussions could be held on how to retain young people in Wales.

Action: *Welsh Government to consider appropriate forum and means of having a discussion with local government and potentially others on retaining young people in different areas of Wales.*

Agenda Item 6 WCPP – review of funding methodologies – scoping

15. The WCPP presented a scoping document on the planned review of distribution methodologies used elsewhere in the UK and internationally.

Item 8: Any Other Business

16. Judith Cole highlighted that Children's Commissioner in Wales had provided guidance on how to engage with children and take children's issues into account in determining budgets. Judith asked that members of the group consider the guidance as part of their own budget setting process.

17. The Minister concluded the meeting by thanking the group for their contributions.