

WLGA Management Sub Committee Minutes

16th December 2021
via Zoom

Chair: Deputy Presiding Officer, Cllr Jane Mudd (Newport)

Present

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| Cllr Philippa Marsden | Caerphilly |
| Cllr Huw Thomas | Cardiff |
| Cllr David Jenkins (Sub) | Carmarthenshire |
| Cllr Ray Quant MBE | Ceredigion |
| Cllr Hugh Evans OBE | Denbighshire |
| Cllr Julian Thompson-Hill | Denbighshire |
| Cllr Dyfrig Siencyn | Gwynedd |
| Cllr Andrew Morgan | Rhondda Cynon Taf |

Apologies

Members

- Cllr Huw David (Bridgend)
- Cllr Emlyn Dole – substitute Cllr David Jenkins (Carmarthenshire)
- Cllr Rob Stewart (Swansea)
- Cllr Ian Roberts (Flintshire)

Officers

- Tim Peppin
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Item 1: Welcome and apologies for absence

1. The Deputy Presiding Officer welcomed members and apologies, as detailed above, were noted.

Item 2: Finance Update: Top Slice Funding 2022-23

2. Jon Rae, the Director of Finance, gave a general update on the forthcoming Local Government Settlement (21st December) and noted there were indications it would be positive. One, in terms of the size of the pot which would include funding for new responsibilities and pressures would be covered. Two, there would be a narrower range this year between the authority that has receives the most and the authority that receives the least – historically this has been a major issue. It was noted that the range presented in the DSG report has been altered substantially.

3. Cllr Morgan also indicated that the conversations in terms of the settlement were positive and hoped the average would be around at least 7% given the pressures on authorities in terms of the NI increase from April, the Real living wage and ongoing social care pressures and pay pressures. He reported that the funding to cover the Real Living Wage for social care staff a full year allocation will be included in the budget and while the Welsh Government want to implement it as soon as possible they will not expect authorities to pay the increase from April as they accept there needs to be time for negotiations with trade unions etc. This will provide some leeway for authorities. He reported that a meeting was due to be held with both the Heath for Minister and Social Services and Deputy Minister for Social Services who are keen to keep the pay differentials these will be funded and built into the settlement.
4. The Leader noted there was no information on capital and feared that general capital would reduce but overall capital would increase as a result of specific grants e.g. more money into flood schemes, housing, carbon reduction.
5. The Chief Executive agreed with the Leader and Finance Director that the informal and formal lobbying by the Association looks likely to lead to a positive Settlement. He reported that usually three elements are focused on during negotiations i) costs and pay inflations, ii) demographic changes and iii) new burdens. He reported that this year the focus has been on social care and noted the recent letter to the Minister of Finance and Local Government with a £286m ask to cover current pressures and anticipated costs. He noted it was positive that Welsh Government officials had not disagreed with the figures presented by the Association. He also noted the letter submitted regarding the £50m social care overspend and addition £10m ask for adaptations. He added, given the work of the Wales Fiscal analysis Unit and others, it's reasonable to expect an increase to the Settlement of 6/7%. Grant funding has to be noted, specially from health, that meant if they are kept outside the Settlement it equates to a higher overall increase in real terms – this will be included in the Association's briefing that will go out Tuesday following the announcement. Chris concluded by saying the outlook is more positive than it has been for many years.
6. Members noted the positive indications but expressed frustration at the lateness of the announcement coming just before Christmas and highlighted two risks. One – the need for new and additional responsibilities to be fully costed and covered and the capacity for local government to deliver when services are already stretched. Two – the situation regarding grants and the relationship with the overall RSG. The fact that the Real Living Wage has not been fully costed was also highlighted as a concern. While keeping differentials was welcomed, equal pay claims from other sectors within authorities was highlighted along with capital going back into specific grants. Members praised the way the WLGA has lobbied in advance of the Settlement.
7. Jon confirmed the Hardship Fund won't continue beyond this financial year and introduced the report detailing the proposed principles to be applied to 'Top Slice' funding for 2022-23 in respect of the following Specified Bodies and WLGA retained Top Slice.
 - The National Eisteddfod
 - Royal Welsh Agricultural Show
 - Urdd Eisteddfod
 - National Fostering Framework; and
 - National Adoption Service

8. The Chief Executive explained that the funding for national cultural events had been considered a few times by members but suggested that Group Leaders revisit the issue. Funding for the National Youth Arts Ensemble was also discussed, and Chris noted that previously when it was considered funding provision in other UK nations came from national governments and in Wales the burden was falling disproportionately on local authorities and members had felt strongly that funding should come from the Welsh Government but if individual authorities wanted to fund individually that would be appropriate. He also reported at the end of the year the WLGA has lobbied the Welsh Government for funding for national youth arts.
9. Chris also reported that discussions were ongoing with the Welsh Government regarding including funding for the Association's Digital and Improvement teams, which are currently grant funded, within the RSG – this approach was agreed by the WLGA Executive Board in September.

10. Resolved that:

- 10.1 Members approved the approach proposed to the funding of the Top Slice Bodies and WLGA retained Top Slice for 2022-23.**
- 10.2 Members agreed that Group Leaders should consider which national cultural events Top Slice should fund.**
- 10.3 Members agreed to consider funding arrangements for the National Youth Arts Ensemble at a future WLGA Executive Board**

Item 3: CJC Update – Oral

11. Daniel Hurford, Head of Policy (Improvement & Government), updated members on recent progress and issues relating to the implementation of CJsCs. Most cabinets will either have already received or will be receiving updates as CJsCs are required to have their first meeting and set budgets by the end of January. Discussions are ongoing between authorities within the CJsCs to determine the basis of contributions to budgets and also with national parks. The picture with regards the appointment of statutory officers is consistent between regions, with lead officers from constituent authorities fulfilling the roles and CJC lead officers meet regularly to share information and knowledge. Ongoing issues include tax implications for CJsCs, which Cardiff Capital Region has been leading on. Welsh Government have made an application to HMRC/Treasury to ask that CJsCs are treated as local authorities for tax purposes. It is unlikely this the situation will be resolved by 31st January. This may necessitate a twin track approach of both growth and city deal regions and CJsCs for a time until the matter is sorted out. Proportionality around governance remains an issue – with regulatory requirements e.g. FOI and equalities responsibilities and the disproportionate governance arrangements around relatively small functions. Additional functions/responsibilities may also be considered in future, for example bus reform. Daniel reminded members that authorities were clear with the Welsh Government that if new functions were given to CJsCs, local government needed to

be consulted. A technical consultation on the latest tranche of regulation is shortly due to end which will bring CJs in line with authorities on matters including membership, overview and scrutiny etc.

12. Resolved that:

12.1 Members noted the update.

Item 4: POSTPONED: Establishment of WLGA Subsidiary Company

13. Resolved that:

13.1 Members agreed to postpone the item which will now be considered by the WLGA Executive Board when further legal advice is available.

Item 5: **CONFIDENTIAL WLGA Accommodation Update**
WLGA Constitution 20.6.3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

14. Resolved that:

14.1 Members noted the contents of the report.

Item 6: **CONFIDENTIAL WLGA HR Matters**
WLGA Constitution 20.6.1 Information relating to a particular individual; and 20.6.3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Item 6.1 National Autism Leadership Team Arrangements

15. Resolved that:

15.1 Members approved the deletion of the post of National Strategic Lead for Autism from the National Autism Team organisational structure with effect from 1st April 2022;

15.2 Members agreed that WT become the sole Lead Officer for the National Autism Team in the post of Head of National Autism Team;

- 15.3 Members approved the terms of SH's compulsory redundancy in accordance with the WLGA's Early Retirement and Severance Scheme;**
- 15.4 Members noted that the Chief Executive, in consultation with the Director of Social Services & Housing and Deputy Chief Executive, will reallocate some relevant leadership duties to suitably skilled and experienced colleagues, as necessary, and will address any pay and grading issues arising; a financial provision has been included in the business case for this purpose; and**
- 15.5 Members noted that the Director of Social Services & Housing and Deputy Chief Executive has commenced discussions with the Welsh Government regarding changes to National Autism Team service provision, potential staffing changes and revised funding arrangements in respect of the 2022/2023 financial year and subsequent years.**

Item 6.2 Application for Flexible Retirement

16. Resolved that:

- 16.1 Members approved JWW's application for Flexible Retirement which was initially approved by the WLGA Senior Management Team.**

Item 7: Any Other Business

- 17. No additional matters were raised and the Deputy Presiding officer wished everyone a Merry Christmas and closed the meeting.**