MINUTES

WLGA Executive Board meeting held in the Council Chamber of Ceredigion County Council, Penmorfa, Aberaeron, Ceredigion SA46 0PA on Friday 24th May 2019

Present:

Chair  Cllr A Morgan, Presiding Officer (Rhondda Cynon Taf)

Cllr H David (Bridgend)  Cllr G Thomas (Merthyr Tydfil)
Cllr D Poole (Caerphilly)  Cllr P Fox OBE (Monmouthshire)
Cllr H Thomas (Cardiff)  Cllr C Clement-Williams (Neath Port Talbot)
Cllr D Jenkins (Carmarthenshire)  Cllr D Wilcox (Newport)
Cllr E ap Gwynn (Ceredigion)  Cllr D Simpson (Pembrokeshire)
Cllr I Roberts (Flintshire)  Cllr R Harris (Powys)
Cllr D Siencyn (Gwynedd)  Cllr R Stewart (Swansea)
Cllr M Jones (Isle of Anglesey)  Cllr A Hunt (Torfaen)

Representing Associate Member bodies:

Mr Owain Wyn, National Parks Wales

WLGA Officers in Attendance:

Dr Chris Llewelyn, Chief Executive
Naomi Alleyne, Director of Social Services and Housing
Dr Tim Peppin, Director of Regeneration & Sustainable Development
Jon Rae, Director of Resources
Daniel Hurford, Head of Policy - Improvement and Governance
Jonathan Lloyd, Head of Employment
Susan Perkins, Executive and Democratic Services Manager
Dilwyn Jones, Communications Officer

Others in attendance:

Nerys Hurford - Simultaneous Welsh Translation
Ceri Reeves, Labour Group

Apologies for absence:

Cllr E Dole (Carmarthenshire)  Cllr K O'Neill (Merthyr Tydfil)
Cllr G Jones OBE (Conwy)  Cllr R G Jones (Neath Port Talbot)
Cllr H Evans OBE (Denbighshire)  Cllr N Moore (Vale of Glamorgan)
Cllr Ll Medi (Isle of Anglesey)  Cllr M Prichard (Wrexham)
Item 1    Welcome and apologies for absence

1. Councillor Andrew Morgan welcomed everyone to the meeting.

2. Apologies for absence were recorded as above.

Item 2    Leaders’ Update

3. Councillor Debbie Wilcox greeted the members and thanked Councillor Ellen ap Gwynn for Ceredigion County Council’s assistance and hospitality in accommodating the WLGA Executive Board meeting at Penmorfa.

4. The Leader advised that following the Council on the 29th of March, members of the WLGA Management Sub Committee had held a further meeting with Julie James to discuss the forthcoming Local Government Bill; this was an informal and useful meeting which highlighted the constructive way in which the Minister is ready to engage with local government.

5. The Leader paid tribute to Derek Vaughan MEP as chair of the Local Government Reform Working Group; under his stewardship the group has made progress and Councillor Wilcox thanked her fellow Group Leaders who have contributed to the work.

6. On 1st April, and in her capacity as WLGA Education Spokesperson, the Leader had met with the Education Minister Kirsty Williams AM; recent meetings have tended to focus on school funding issues and inevitably there has been a degree of tension. The April meeting provided an opportunity to thank the Minister directly for her support in lobbying the UK Government for additional funding for increased employer contributions to teachers’ and fire pensions; the Leader had also expressed thanks to the Welsh Government for passing on the funding to local government in full. With regard to the new curriculum, the Leader had affirmed local government’s support for the reforms being introduced; sometimes enthusiasm for getting things right might feel like criticism, but ultimately the Leader stressed that we all share the common ambition of raising standards and improving outcomes for learners.

7. Later that same day the Leader had met Julie James and Hannah Blythyn for a bi-lateral meeting later and she reported that again she had left the meeting with a real sense that at last there is a strong advocate for local government within the Cabinet. A further meeting was held with both Ministers on 7th May where many of the themes emerging from the Reform Working Group were rehearsed, with discussions focused specifically on arrangements around the WLGA’s improvement role. The Minister has expressed her desire to expand the WLGA’s improvement capacity on numerous occasions, and the WLGA will be submitting a new proposal for the reinstated improvement grant.
8. On 1st May, the Leader gave evidence to the Independent Welsh Pay Review Body. The devolution of teachers’ pay and conditions in Wales has created its own new bureaucracy and this body is a key element in the new process. The Leader had emphasised the shared desire to see a properly rewarded profession; proper consideration of affordability and full appreciation of the pressures of the current financial context are paramount.

9. The Leader held an positive and constructive introductory meeting with the new Welsh Language Commissioner on the same day. As the former leader of Wrexham, Aled Roberts, the Commissioner is an old friend of the WLGA. As Welsh Language Spokesperson, Councillor Ellen ap Gwynn, will hold more detailed policy discussions with the Commissioner and will feedback to members on those discussions as appropriate.

10. In April, the Leader also gave evidence to the Commission on Justice on behalf of the Association. The Commission, established by Welsh Government, is reviewing the operation of the justice system in Wales and will aim to set a long-term vision for its future, ensuring the justice system is fit for purpose and for the devolution settlement in the Wales Act 2017. The Leader has asked the officers of the WLGA to bring forward a paper on the devolution of policing, youth justice and other aspects of the justice system for consideration at a future meeting.

11. In conclusion, the Leader highlighted some of the changes around council AGMs in recent weeks and took the opportunity to pay tribute and to thank Councillor Aaron Shotton, Flintshire and Councillor John Thomas, from the Vale of Glamorgan for their contributions to the WLGA and the local government family over recent years. The Leader then extended a welcome to Councillor Ian Roberts the new leader of Flintshire and to Councillor Neil Moore, the returning leader of the Vale of Glamorgan.

**Item 3 Draft WLGA Publications**


13. Members discussed the draft documents recommended that the following points should be incorporated in the final drafts to be presented to the WLGA Council for approval on 14th June:

   - That the WLGA continue to monitor developments within the European Union however events unfold over the coming year, and that links between Welsh local authorities and their European counterparts (through organisations such as CEMR) should be maintained.
• That the Corporate Strategy should make reference to the importance of regeneration into the future and the WLGA should continue to keep a close eye on any economic development funding emanating directly from the UK Government, including any opportunities for sector deals.

• That the documents focus on digital improvements to services as these are becoming increasingly important as in their own right and as local authorities move forward with regional working.

• That the documents be aspirational in setting out the local authorities’ commitment to addressing climate change issues, reducing carbon emissions etc.

• That the documents make more overt reference to working with the Associate Member Bodies.

14. Resolved that:

14.1 Subject to the inclusion of the matters raised, the following draft documents were endorsed, pending approval by the full WLGA Council on 14th June 2019:

- The draft WLGA Corporate Strategy 2019-2022;
- The draft WLGA Business Plan 2019-2020;

Item 4 Local Government Settlement

15. Councillor Anthony Hunt reported on the Finance Sub Group meeting held 22nd of May. At this stage it is not known whether the Comprehensive Spending Review will take place as planned in the autumn, and the Welsh Government may have to produce a roll-over budget in draft. Welsh Government will provide more detailed figures in advance of the next Finance Sub Group meeting in July. A Budget announcement in December would be problematic for local authorities. Over the next period, the WLGA would seek to engage constructively with the Welsh Government to gain an understanding of the overall ‘envelope’ of funding available.

16. Members then reflected on the WLGA Finance Lines for the Spending Review in 2019:

- Local authorities are facing pressures of over £200m next year, rising to around £600m by 2022-23.
• Any new responsibilities, such as Additional Learning Needs (ALN) reform, must be fully costed, funded and rolled into the Settlement.

• Research by Wales Fiscal Analysis suggests that Welsh Government will receive annual cash increases of 3.3% over the Spending Review period which would cover increased workforce costs for teachers and other frontline workers.

• Local Government should be first in the queue for any additional consequentials that arise from the Spending Review.

• Announcements should cover a multi-year period and all grant letters issued as soon as possible before Christmas.

• Pension costs should be fully recognised and funded.

• £7.5m for teachers pay to be made recurrent from 2021 onwards.

• Local council tax payers cannot continue to be expected to plug the gap in central government funding; this is unsustainable and unfair.

• The £30m grant for social care to be rolled into the Settlement.

• There needs to be a proper assessment of high-need, high cost services for children.

• A renewed focus on outcomes and not inputs, and a transfer of specific grants into the Revenue Support Grant to allow councils to focus on local needs.

• Money is increasingly having to be diverted from discretionary services which have born the brunt of funding reductions: libraries down 35%, culture down 42%, regulation and planning reduced by over 50%.

• Health outcomes have wider social drivers, local government should receive a share of health consequentials focussing on early intervention and preventative services.

• Funding for waste and recycling must not be subjected to any further cuts, having reduced by over 40% in real terms already.

• There needs to be an additional capital funding commitment of £100m over the Spending Review period.

• There needs to be continued and increased investment in affordable and innovative housing.

• A sustained funding solution for highways needs to be explored, given the need for continuous investment in this vital asset.

17. Members expressed grave concern over the quantum of funding made available to local authorities, and over instances where cuts have been made to grants and announced late in the day as the implications for the workforce and on sustaining regional services are profound. Members discussed the nature of the funding formula, the effects of deprivation in urban and rural settings, the
problems encountered in delivering services to widely dispersed and smaller communities across large geographic areas, whether it was sustainable to use any council reserves, and the regressive nature of council tax. Councillor Rosemarie Harris offered to share a paper being developed by Powys County Council.

18. Councillor Hunt assured members that all points were noted and would be raised at the next Finance Sub Group meeting in July.

19. **Resolved that:**

   19.1 **Members noted the update on the Local Government Settlement.**

**Item 5  Local Government Reform**

20. Members received an update on Local Government Reform and members views were sought on the proposals and recommendations emerging from the Local Government Reform Working Group meeting held 21st May 2019.

21. Leaders discussed Welsh Government proposals for the inclusion of Statutory Joint Committees in the Local Government Bill at the Executive Board.

22. Leaders re-stated their continued commitment to collaboration and recognised the new Minister’s constructive approach to engagement and partnership with local government.

23. Leaders have been receptive to the concept of Statutory Joint Committees, when previously discussed with the Minister, as a potential additional collaborative governance model for authorities to use where necessary.

24. The Welsh Government paper provides an overview of the proposals, but further clarity and assurance is needed about the direction of travel given concerns that prescribed Statutory Joint Committees could undermine local democratic accountability, increase administrative burden and increase Welsh Government control over local services. There were wider potentially complex ramifications of Statutory Joint Committees which needed to be further explored and clarified, including funding formulae and mechanisms and workforce implications, should these bodies oversee joint services and employ joint staff.

25. As the legislative window is short, leaders were prepared therefore to continue to engage constructively and seek to develop the model with the Welsh Government, despite these continuing concerns.
26. The WLGA would contribute to the development of the model, until further details and final proposals are produced, leaders were unable to commit at this stage to endorsing the proposal and recognise that the Welsh Government may introduce the proposals as a Stage 2 amendment to the Bill.

27. Members also welcomed the review of Strategic Partnerships.

28. Acknowledging the range of helpful suggestions, members felt that it would be appropriate to seek more detail and thereby gain a better understanding and clarity about the Minister’s recent proposals for Statutory Joint Committees which might be included in the forthcoming Bill; members emphasised that this approach was fully in line with local government’s commitment to shape and jointly develop any proposals, securing the greatest flexibility possible, and ensuring that local democracy and that the principle of subsidiarity underpin any future developments. Further reports will be presented to members as discussions progress.

29. **Resolved that:**

   29.1 **Members noted the update on Local Government Reform.**

**Item 6 Regional Partnership Boards and Pooled Funds**

30. Councillor Huw David introduced the report proving an update on the current position on the establishment of pooled funds in relation to care homes, and recent amendments made to partnership Regulations under Part 9 of the Social Services and Well-being (Wales) Act.

31. Members were aware from a number of updates received previously that under the Social Services and Well-being Act, local authorities and health boards are required to establish pooled funds in relation to care homes. Councillor David confirmed that the WLGA has highlighted and discussed a number of concerns about this requirement, all of which have been raised with the relevant Ministers.

32. The legal advice that was previously commissioned supported the WLGA’s view that as drafted then the Regulations gave complete discretion to partners as to how many local authorities join in with any arrangement with the health board. However, since this advice Welsh Government have laid amended Partnership Regulations in the Assembly which have been approved. These Regulations make several changes, the most substantial of which is to make amendments so that it is clear that the requirement is for a single fund for each Regional Partnership Board (RPB) area to which all of the partners for each RPB area are to make financial contributions. Other changes include the inclusion of both housing and education representatives on the RPBs.
33. At the end of 2018 WLGA surveyed local authorities on how they were meeting the legislative requirements around pooled funds and Councillor David advised that the report provides an overview of where Regions were at across Wales. Whilst all regions have partnership agreements in place or are in the process of signing them off, there are a range of approaches being applied in order to try to meet the legislative requirements, from establishing virtual arrangements to agreeing Section 33 Agreements. Non-risk sharing pooled fund arrangements are in place in most and some are looking at how they can move to a single pooled fund. However, much of this work is subject to all partners being confident that the arrangements being put in place can be done so safely and lawfully.

34. In discussion, members acknowledged that this is very much an evolving area and work and discussions continue across Regions and with Welsh Government to ensure that appropriate arrangements are put in place. Members also expressed concern over the lack of consultation with local authority S.151 Officers who report that they were not consulted on the proposed changes to the Regulations, their legality and the implications arising for local authorities.

35. **Resolved that:**

   **35.1 Members noted the update and amendments to regulations.**

**Item 7 Brexit Update**

36. Councillor Rob Stewart introduced a detailed report setting out the latest situation regarding Brexit and the implications of various scenarios for local authorities.

37. **Resolved that:**

   **37.1 Members noted the report.**

**Item 8 Waste Update**

38. Councillor Andrew Morgan introduced the report seeking input into four distinct issues relating to waste: the consultation response on Extended Producer Responsibility and Deposit Return Scheme; the current funding arrangements on waste and call to Welsh Government to stop making annual cuts to the Sustainable Waste Management Grant; the review of the current waste infrastructure development programme in conjunction with Welsh Government and the implications of for each local authority of engaging in this process; the developments around the creation of a national behaviour change campaign to remove recyclables from the residual waste stream and provide a clear
mandate that locally delivered elements of this should be fully funded by Welsh Government.

39. Members expressed concern about the Deposit Return Scheme; it was felt that the local authorities’ statutory targets for recycling should be amended to take account of this. Extended Producer Responsibility should be taken forward first. Councillor Morgan has written to the Minister and Deputy Minister to press for increases in the Sustainable Waste Management Grant.

40. **Resolved that:**

   40.1 Members noted the key points of the Extended Producer Responsibility/Deposit Return Scheme response submitted and highlighted the specific issues that the WLGA should raise in the next round of discussions;

   40.2 Members noted the latest budgetary position on Waste, mandating the Spokesperson to press for an end to annual programmed cuts;

   40.3 Members noted that each local authority will receive a letter inviting participation in the Adult Hygiene Products project and to receive a share of the £6.5m funding this financial year, subject to the commitments sought in the letter.

   40.4 Members noted the wood recycling work being undertaken by Blaenau Gwent County Borough Council who would receive indications from any local authority wishing to participate:

   40.5 Members indicated support for the potential for a national Behaviour Change Campaign, reiterating the need for the supporting localised activity to be fully funded.

**Item 9  Future Arrangements for Armed Forces Day in Wales**

41. Members received a report setting out for consideration two options for the future arrangements for Armed Forces Day in Wales, as requested by the Deputy Minister for Housing and Local Government.

42. **Resolved that:**

   42.1 Members supported Option 1 for Armed Forces Day in Wales: one flagship event supported by £20,000 of Welsh Government funding, with the event alternating between local authorities.
Item 10  Workforce Partnership Council

43. Councillor David Poole introduced a report providing an update on developments concerning the Workforce Partnership Council and seeking views on the proposed Strategic Priorities and Work Plan, the decision-making processes, and the representation from local government.

44. Resolved that:

44.1 Members received the update report on the Workforce Partnership Council;

44.2 Members endorsed the Draft Strategic Context and the Workforce Partnership Council Annual Work Programme 2019/20;

44.3 Members endorsed the decision-making protocol;

44.4 Members agreed the proposals for the decision-making process for the Executive Board;

44.5 Members agreed the membership from local government to represent the sector at the Workforce Partnership Council.

Item 11  Local Government Pension Scheme

45. Councillor Anthony Hunt introduced an update on two issues affecting the Local Government Pension Scheme: a project promoted by the Ministry of Housing to improve governance and more responsible investment in the assets of the pension fund.

46. Members expressed support for the aspirations, but some reservation about the prospect of political intervention in this area. The need to balance competing interests was acknowledged.

47. Resolved that:

47.1 Members supported a broad response to the survey;

47.2 Members supported the letter from the Finance Minister.
Item 12  Proposals for Collaborative Procurement

48. Councillor Anthony Hunt introduced a report setting out the principles that will underpin a collaborative approach to procurement for local authorities in Wales under new arrangements following the cessation of work of the National Procurement Service in its current form.

49. Members asked for detail and full transparency over the 33 of the 61 contracts which would be retained by the Welsh Government under the new arrangements. Wherever possible, local authorities would look to support and enhance local supply chains.

50. Resolved that and subject to the comments made in the meeting:

   50.1 Members supported the principles set out in the paper;

   50.2 Members directed that the Heads of Procurement Network work up a detailed proposal to advance the work.

Item 13  Council Tax Base - Second Homes

51. Members received a report and paper developed by Gwynedd Council and discussed at the most recent meeting of the WLGA Rural Forum; the WLGA Executive Board were asked for view on this paper given that the issues were generally applicable across Wales.

52. Members noted the erosion of the tax base, with in the region of £4.5m lost to the public purse; this matter has been raised with the Minister and Councillor Anthony Hunt stressed that he was keen to support the steps to be taken to lobby on this matter. Members noted that the Valuation Office Agency have been subject to cuts. Members felt that Planning Permission would be a pre-requisite to any change in classification of such dwellings to become non-domestic properties.

53. Councillor Huw Thomas asked that consideration also be given to the problems of Empty Homes; it was noted that this aspect might be dealt with by way of a recommendation to the Distribution Sub Group to remove the incentive to offer discounts on empty properties.

54. Resolved that:

   54.1 Members supported the proposal to raise with the Minister at the earliest opportunity the matter of the Council Tax Base for Second Homes.
Item 14  A Roadmap for Safer Buildings in Wales

55. Members received a report setting out the findings and recommendations of the Building Safety Expert Group as presented to the Welsh Government with the aim of improving the safety of residential buildings in Wales.

56. Resolved that:

56.1 Members noted the report;

56.2 Members agreed to receive a further report on the next steps to be taken following the Welsh Government’s response to the Expert Group’s report.

Item 15  Report of the Independent Review of the Affordable Housing Supply in Wales

57. Members received a report setting out the key recommendations of the independent Affordable Housing Supply Review Panel, as presented to the Welsh Government, with the aim of increasing the supply of affordable housing in Wales.

58. Resolved that:

58.1 Members noted the report;

58.2 Members agreed to receive a further report on the next steps following the Welsh Government’s response to the Affordable Housing Supply Review.

Item 16  Consultation on Public Sector Exit Payments

59. Members received a report advising of the Government’s consultation on the implementation of the £95k cap on Public Sector Exit Payments.

60. Resolved that:

60.1 Members noted the report and directed that further updates be provided as they become available.
Item 17  Minutes of WLGA Meetings

61. Members received copies of the draft minutes of the WLGA Council meeting held 29th March 2019, the WLGA Audit Committee meeting held 18th April 2019 and the WLGA Management Sub Committee meeting held 3rd May 2019.

62. Resolved that:

62.1 Members noted the draft minutes of the WLGA Council meeting held 29th March 2019;

62.2 Members noted the draft minutes of the WLGA Audit Committee meeting held 18th April 2019;

62.3 Members noted the draft minutes of the WLGA Management Sub Committee meeting held 3rd May 2019.

63. There being no further items, the Presiding Officer thanked the members and drew the meeting to a close.