



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a
Chymunedau](#)

[The Equality, Local Government and
Communities Committee](#)

03/11/2016

[Agenda'r Cyfarfod](#)
[Meeting Agenda](#)

[Trawsgrifiadau'r Pwyllgor](#)
[Committee Transcripts](#)

Cynnwys Contents

- 4 Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introductions, Apologies, Substitutions and Declarations of Interest
- 4 Craffu ar Gyllideb Ddrafft Llywodraeth Cymru 2017–18 (Prif Grŵp
Gwariant (MEG) Llywodraeth Leol)
Scrutiny of the Welsh Government Draft Budget 2017–18 (Local
Government Main Expenditure Group (MEG))
- 39 Papurau i'w Nodi
Papers to Note
- 39 Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o
Weddill y Cyfarfod
Motion under Standing Order 17.42 to Resolve to Exclude the Public
from the Remainder of the Meeting

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn
ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in
the committee. In addition, a transcription of the simultaneous interpretation
is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Gareth Bennett Bywgraffiad Biography	UKIP Cymru UKIP Wales
Paul Davies Bywgraffiad Biography	Ceidwadwyr Cymreig (yn dirprwyo ar ran Janet Finch–Saunders) Welsh Conservatives (substitute for Janet Finch–Saunders)
John Griffiths Bywgraffiad Biography	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Sian Gwenllian Bywgraffiad Biography	Plaid Cymru The Party of Wales
Bethan Jenkins Bywgraffiad Biography	Plaid Cymru The Party of Wales
Rhianon Passmore Bywgraffiad Biography	Llafur Labour
Jenny Rathbone Bywgraffiad Biography	Llafur Labour
Joyce Watson Bywgraffiad Biography	Llafur Labour

Eraill yn bresennol
Others in attendance

Debra Carter	Dirprwy Gyfarwyddwr, Polisi Cyllid Llywodraeth Leol Deputy Director, Local Government Finance Policy
Mark Drakeford Bywgraffiad Biography	Aelod Cynulliad, Llafur (Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol) Assembly Member, Labour (The Cabinet Secretary for Finance and Local Government)
Reg Kilpatrick	Cyfarwyddwr Llywodraeth Leol Director for Local Government

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Osian Bowyer	Y Gwasanaeth Ymchwil Research Service
Chloe Davies	Dirprwy Glerc Deputy Clerk

Martin Jennings Y Gwasanaeth Ymchwil
Research Service
Elizabeth Wilkinson Clerc
Clerk

*Dechreuodd y cyfarfod am 09:14.
The meeting began at 09:14.*

**Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introductions, Apologies, Substitutions and Declarations of Interest**

[1] **John Griffiths:** May I welcome everybody to this meeting of the Equality, Local Government and Communities Committee? We start off with item 1: introductions, apologies, substitutions and declarations of interest. There's one substitution today, Paul Davies is substituting for Janet Finch-Saunders. We haven't received any other apologies. Are there any declarations of interest? No. Thank you very much.

09:15

**Craffu ar Gyllideb Ddrafft Llywodraeth Cymru 2017–18 (Prif Grŵp
Gwariant (MEG) Llywodraeth Leol)
Scrutiny of the Welsh Government Draft Budget 2017–18 (Local
Government Main Expenditure Group (MEG))**

[2] **John Griffiths:** We'll move straight into item 2, which is scrutiny of the Welsh Government's draft budget for 2017–18. We have Mark Drakeford, Cabinet Secretary for Finance and Local Government, with us today, together with two of his officials. Welcome, Minister. Would you like to introduce your officials?

[3] **The Cabinet Secretary for Finance and Local Government (Mark Drakeford):** Thank you, Chair. Good morning. So, I'm accompanied this morning by Reg Kilpatrick, who is the head of our local government division at the Welsh Government, and Debra Carter, who specialises on the financial side of local government.

[4] **John Griffiths:** Thank you very much. Would you like to make any brief introductory remarks, Cabinet Secretary, before we move into questions?

[5] **Mark Drakeford:** Thank you, Chair. I suppose simply to say that the budget that the committee will be scrutinising today was a budget formed in very particular circumstances. The level of uncertainty surrounding our ability to create a budget for Wales has been very high. The impact of the Brexit vote on 23 June, the arrival of a new Chancellor of the Exchequer, who has said that he intends to reset the fiscal framework in the autumn statement of 23 November—all of these things created conditions of uncertainty that meant that, despite work all over the summer in the hope that we could declare a three-year revenue budget, we've only been able to lay a one-year revenue budget, but that we have taken the calculated risk that lies behind our decision to declare a four-year capital budget.

[6] Now, I fully understand that from the point of view of our partners in local authorities and all the others that we rely upon to deliver services for people in Wales, the ability to plan over more than one year is something that's very important to them. In the end, my decision—which is the same decision that I see has been arrived at by the finance Minister in Scotland and in Northern Ireland—is that we simply weren't in a position to give them reliable indications of what their budgets might look like beyond next year. While I wish I could, I think it's better not to be misleading and declare a level of certainty that simply doesn't exist.

[7] **John Griffiths:** Okay. Thank you very much for that. In terms of the context, Cabinet Secretary, I think you've been quite clear in signalling that future years, beyond next year, may be more difficult in terms of the availability of funding for local government, and that clearly signals the need for further reform, efficiency and effectiveness in local government delivery and use of the funding that they have. Could you confirm that that is the position, and if it is, will you be working with local government to try and ensure that that message is very clearly received and acted upon?

[8] **Mark Drakeford:** Thank you, Chair, for the opportunity to just set on the record early in this session my belief that the budget that we have been able to provide for public services in Wales and for local government in particular in 2017–18 will be unusual in our ability, as a result of our agreement with Plaid Cymru, to provide a no-cash-cuts budget for local authorities next year. I've been very glad to have been able to do that, but my clear message to local government is that this is not a period to stand back and draw breath. The next 18 months must be used in a purposeful and rigorous way to prepare for what will be harder choices and tougher times that lie ahead. You ask how I will be conveying that message—well, I'm going

directly from here to the annual conference of the Welsh Local Government Association, and this will absolutely be part of my message to people there.

[9] Here is an opportunity, a period of relative stability, from which local authorities must plan for the difficult decisions that lie ahead of them. We will be there to help them in doing that, trying to provide some ideas and some guidance and so on. They know that the future cannot be simply an attempt to carry on doing everything they've always done, in the way they've always done it, by trying to make the plates spin even faster. They have to look at new ways in which they go about their business, working differently with their communities, and with other organisations in them. Many local authorities already do this. These are not new messages for them. It's simply that the scale of the cuts that we face, a 9 per cent real-terms reduction in the funding available for public services in Wales over less than a decade, means that the pace of that change will have to be accelerated.

[10] **John Griffiths:** Okay. Are you able to say anything at this stage, then, in terms of the connection between that agenda, which, as you say, has been ongoing for some time, finding new and more effective ways of delivery, and new innovative solutions to basically doing more with less, which obviously is no easy task—the connection between that ongoing work and the wider reform agenda that you've set out for local government in terms of more regional delivery? What are the connections there, and what are the processes that will drive this?

[11] **Mark Drakeford:** Well, I hope that the connection is one that is apparent to local government colleagues as well. The approach I've taken, as you know, is that, whereas in the last Assembly term, the Welsh Government attempted to take a lead in declaring a set of potential future arrangements for local government in Wales, which would have provided some greater financial resilience, service resilience and quality resilience in the way that local authorities go about their business—it did not prove possible to secure a consensus around those proposals, both with local government, and inside the National Assembly as well. And I have felt it has been my responsibility, therefore, to rethink the way that we try and achieve those objectives, because the objectives have not gone away, and the problem has not gone away. But how do we craft a different approach to them, and in particular, how do we craft a consensus that allows local authorities to come with us on the journey, and which allows my party to work with other parties here in the Assembly to try and create a different prospectus for the future of local government in Wales?

[12] So, as you know, the big-picture suggestion that I put before the Assembly on 4 October was to retain the 22 local authorities, as the democratically elected tier, and the front door through which the citizen comes to access local authority services in Wales. Behind that front door will exist, once we've gone through another round of more detailed discussions, and a further attempt to build consensus around them, a set of systematic and mandatory regional arrangements. And I believe that by working regionally in some key services, there will be some financial efficiencies that local authorities will be able to obtain, and therefore that's part of the agenda that you've been rehearsing with me so far, Chair. I think there are other resiliencies beyond the financial ones that will be gained by working in a more regional way. And there is nothing to prevent local authorities from getting on with working together in that way in advance of any legislation that we may be able to put before the National Assembly, and many local authorities do it already, and continue to develop ideas to do more of that in the future. So, I will be encouraging them to get on with that work, while knowing that if we can bring off the discussions, we will be doing it in a more systematic way, and a way underpinned by statute, which will be different to the way it's been done in the past.

[13] **John Griffiths:** Okay. Thanks very much for that. If Members haven't got any further questions—Jenny.

[14] **Jenny Rathbone:** I just wanted to ask about your approach to the capital, because you say in your written statement that there are going to be new borrowing powers and new innovative funding available. I think this is obviously pretty crucial. We learnt in the climate change committee that local government is going to be borrowing money for coastal flooding, and my concern is that that may limit their ability to borrow money to build council housing, for example. I just wondered if you could say a little bit more about how you see these new innovative borrowing requirements working.

[15] **Mark Drakeford:** Thank you, Chair. So, in the four-year capital programme that the budget sets out, we deploy every bit of conventional capital that we know will come our way through the normal settlements and every bit of new capacity to borrow that was created in the 2014 Wales Act and where we have an agreement with the Treasury that we can now borrow up to £125 million a year. So, you'll see all of that aligned with the different purposes that the budget sets out.

[16] But there are two ways in which we'll go beyond that over this period as well in order to try and make good some of the cuts that there will be in our ability to support capital spending. So, the one is that we will use new and innovative ways of supporting the borrowing that other organisations are able to undertake. So, housing associations can borrow and local government can borrow. The flood-risk prevention works will rely on local government using their borrowing powers and the Welsh Government providing the revenue that is needed to support that borrowing. This does not crowd out, in the way, I think, Jenny was suggesting, 'Does that crowd out local authorities' ability to borrow for other purposes?' It doesn't do that. They would not be able to use the £150 million-worth of borrowing for flood prevention works because they couldn't cover the revenue costs of doing so from the budgets they already have. They're only able to use that because we support the borrowing. So, that borrowing is extra and additional; it isn't compromising local authorities' ability to cover the borrowing that they themselves are able to cover as they do all the time from their own ability to raise revenue. Those local authorities that are hoping to embark on building council houses for the first time—and how great it is to see that beginning to happen—will be able to do that from their own revenue streams rather than ours.

[17] **Jenny Rathbone:** Because they'll also have the rents.

[18] **Mark Drakeford:** From the rents, yes—exactly that.

[19] **Jenny Rathbone:** But is that a mechanism that could be used? For example, the south-east Wales metro involves 10 local authorities—is there a way in which we could boost the money that could be available, because, at the moment, a certain sum of money has been set aside, but it's not sufficient to complete the job?

[20] **Mark Drakeford:** Well, Chair, I am confident that we will be able to support the south Wales metro without needing recourse to those new forms of capital expenditure. You don't see the full cost of the metro reflected in the allocations made to the economy main expenditure group because I've held back, in central capital reserves, sums for the metro in years 3 and 4 of the programme. Because, obviously, if you set a four-year programme, years 1 and 2 are relatively known, and the amounts of money that will be required are relatively reliable, but by the time you move to years 3 and 4, those figures become a bit more of estimates and, therefore, I've decided that rather than just allocating the money en bloc into portfolio MEGs, I'm holding

money back. As those figures firm up, then I'll release the money centrally, and I think we will cover the metro, provided, of course, that we get the European regional development fund money that we are relying on for the metro. We will cover it in that way.

[21] **Jenny Rathbone:** Thank you for that.

[22] **John Griffiths:** Okay. Bethan.

[23] **Bethan Jenkins:** I just wanted to come back to the question on the local government reorganisation. I know that much of it was political, but I just wanted to understand—.

09:30

[24] Of course, local government, like you said, will have said that they are working together in various different ways, and I'm wondering at what point you decide that encouraging them to work regionally will only go to a certain place and it will need to then lead to that potential future reorganisation in whatever way that shapes itself. Because, of course, I just use the environment as one example where local authorities may work together, but the targets are not shared and therefore then that incentive potentially isn't there for them to co-operate. So, it's trying to understand at what point then you will need to say, 'Well, the budget doesn't allow for this to continue because there's still that squeeze. It's not going far enough for us to be able to deliver what we need to deliver as the Government'.

[25] **Mark Drakeford:** Well, thank you for the question. The approach I'm trying to take is this: I want to be genuinely open-minded and genuinely engaged in a conversation with local government and its partners about what the regional arrangements should be, what services should be delivered at that regional footprint and so on. Once we've got an agreement, then what I'm saying to local authorities is that that will then have to be systematic and mandatory. In other words, I'm not willing at that point just to say, 'Fine, over to you. We've agreed you can just get on with it'. I'm not willing to do that, because every local authority that I meet has a story to tell about where they have invested a lot of time and effort in trying to bring off a regional arrangement for something only to find that at the very last moment one of the partners decides to withdraw from it and the whole, sometimes two years' work, evaporates in two weeks.

[26] So, once we've agreed, then my answer to your question—how do we make sure we get it over the line?—is that I hope to be able to bring legislation to the National Assembly that sets these regional arrangements out in a way that is systematic. They will happen in the same sort of way everywhere in Wales and are mandatory. They're not me asking local authorities and encouraging them and persuading them and all this. It will be, 'This is how it's going to be, and you will all be involved in this because we've agreed that this is the right way to do it.' But it will have that statutory underpinning. That's how I hope we will go from the promise of regional working into the actual delivery of it.

[27] **Bethan Jenkins:** Okay. Thanks.

[28] **John Griffiths:** Okay. Joyce.

[29] **Joyce Watson:** Mine is a sort of technical question, and it's around building social housing. I think it's fantastic that others can now follow what Labour-led Carmarthenshire County Council did in building council houses. But, I want to ask about the accounting mechanism changes for borrowing powers for social housing because I remember reading that there were accounting changes in terms of whether they were off book or on book, which would then affect their ability to borrow, because it becomes part of their total borrowing under the new rules, as opposed to separate borrowing under the current rules.

[30] **Mark Drakeford:** Well, I'll have a go, Chair, and then hopefully Debra will rescue me if I start to go wrong.

[31] **Joyce Watson:** It's serious.

[32] **Mark Drakeford:** It is a very serious matter because it's to do with Office for National Statistics classification of social housing—

[33] **Joyce Watson:** Absolutely.

[34] **Mark Drakeford:**—and whether they lie on the public balance sheet or are off the balance sheet. Up until now, we have all—right across the United Kingdom—assumed that they were off balance sheet. ONS classification threatens to bring them on balance sheet, with huge amounts of public debt that will be inherited on balance sheet as a result. In England, this problem bit first. So, the Treasury has allowed what's called a derogation. A

derogation is a short period of time in which the ONS classification doesn't apply, to allow the rules for social housing to be revised in a way that regularises them as off balance sheet. I wrote to the Chief Secretary to the Treasury earlier in the summer, asking for a similar derogation in Wales because, in September, ONS ruled in relation to Wales, Scotland and Northern Ireland, and ruled in the same way. So, we have the same problem, and so do the other devolved administrations.

[35] I wrote to the chief secretary, asking for a similar derogation for Wales. I got a constructive reply from him, agreeing to a derogation for next financial year and saying that he wouldn't expect Wales to be treated any less advantageously than the rules that have been agreed for England. Well, the derogation rules in England have now been extended further, because there are some additional complexities that have emerged in the English set of arrangements that we probably wouldn't face in Wales. So, I was at a meeting with the chief secretary last week and raised this with him again, and I'm writing to him further, asking for an extended derogation here in Wales. Carl Sargeant will be considering the steps that need to be taken in order to regularise the rule book for housing associations in Wales so that the problem is resolved in the long run. If it went wrong, this would be a very serious matter. I would have to say, I feel we've had good co-operation from the chief secretary in London on it, and it's a common problem that all four administrations are having to solve together.

[36] **John Griffiths:** Okay, thank you. Rhianon.

[37] **Rhianon Passmore:** First, I'd like to welcome the 'no cash cuts' line, and, obviously, the real-terms position, the subsequent and welcome top-up for local authorities, I'd like to put that on record. In terms of the UK Government settlement—and we talked about the one-year revenue, which is already been discussed, and the subsequent capital for the further three years—my question is really whether this capital funding allocation is indicative, or whether it is an actual budget. It's a very simple question.

[38] **Mark Drakeford:** Thank you, Rhianon. Well, I suppose the answer is that everything in the budget is indicative until it's confirmed in a vote by the National Assembly in January. So, this is a draft budget. We haven't had the draft budget debate yet. We worked hard over the summer to come to an agreement with Plaid Cymru. The fact that we have a no-cash-cuts budget—part of it is because there's £25 million going in as a result of that agreement. So, I will continue to work with Cabinet colleagues and with other

parties between now and January. Once the budget is agreed by the National Assembly, then those become not indicative figures, but the figures we intend to use until the National Assembly allows us to revise them. But, at this point, the budget is still to be confirmed by the National Assembly for Wales.

[39] **Rhianon Passmore:** Thank you.

[40] **John Griffiths:** Paul.

[41] **Paul Davies:** Thank you, Chair. I think your message has been quite clear here this morning, Cabinet Secretary, that, obviously, you want to see local authorities working collaboratively in the future. I think your message has also been that they need to look at innovative ways of actually delivering services. Now, my own local authority's executive has just recently agreed to outsource the running of leisure, tourism and cultural services, for example, and to set up a non-charitable subsidiary organisation. Is that the sort of innovative way you'd like to see local authorities actually establishing?

[42] **Mark Drakeford:** Well, particularly in the field of leisure, many local authorities across Wales have decided to use different delivery routes, often using not-for-profit ways of doing so, and creating new partnerships as a result with other organisations, sometimes using partnerships with their community councils in their area to take on responsibilities that weren't previously discharged by them. I don't believe, Chair, that there is a simple, single blueprint that you can set out nationally, because local circumstances differ so much from one part of Wales to another. But, that sort of way in which local authorities have to think about the services—is there a different way they can continue to provide a service in future that has a better chance of that service being sustainable in the long run—is something that all local authorities are having to think about.

[43] **John Griffiths:** Okay. Before we move on to further questioning, in terms of the overall increase in the local government settlement of £3.8 million, set against that, the general revenue funding budget expenditure line shows a decrease for next year of £22 million. Could you tell us what that £22 million consists of?

[44] **Mark Drakeford:** I think, first, I'll take one step back from it, Chair. The figure that matters most to local authorities is what's called AEF, aggregate external finance. That's the total amount of money that they have to spend.

AEF is made up essentially of two streams. There is RSG—revenue support grant—and there is non-domestic rates money, which in Wales we pool centrally and then redistribute to local authorities. The balance between the two shifts every year. Up until this year, that balance in many ways had not been that relevant to the National Assembly because non-domestic rates were not devolved. But, they have been a devolved responsibility since 2015 and we now have decided to report more directly the way that the component parts of aggregate external finance are made up.

[45] So, what you see this year is a reduction in RSG and an increase in the non-domestic rates component, and when you add the two things together you end up with the non-cash-cut budget that we have. The components are always balancing. One goes up, one goes down; they change every year. That movement wouldn't have been visible to the National Assembly in the past because the non-domestic rates part of it wasn't in our own hands. Now that it is, we think that it makes for better scrutiny for you to be able to see those figures disaggregated in that way.

[46] **John Griffiths:** Okay. Thanks very much for that. Sian, I believe you have a further question on the next section.

[47] **Sian Gwenllian:** Yes.

[48] Bore da. Rydym ni'n sylwi bod eich strategaeth chi yn cynnwys cyllid gwaelodol ar gyfer y setliad llywodraeth leol. A fyddwch chi'n parhau efo hynny i'r dyfodol—gosod y cyllid gwaelodol? Ac os byddwch chi, sut fyddwch chi'n pennu'r trothwy ar gyfer hynny?

Good morning. We note that your strategy includes a funding floor for the local government settlement. Will you be continuing with that strategy in future of setting that funding floor? If so, how will you set the threshold for that?

[49] **Mark Drakeford:** Mae yn dibynnu ar y cyd-destun bob blwyddyn. Nid ydwyf eisiau dweud heddiw ein bod ni'n mynd i barhau beth bynnag bob blwyddyn gyda'r arian ychwanegol yna. Yn y flwyddyn ariannol nesaf, roeddem ni'n gallu ei wneud ef achos roeddem ni'n gallu rhoi £2.3 miliwn ychwanegol ar ben y

Mark Drakeford: It depends on the context year on year. I don't want to state today that we will continue regardless, year on year, with that additional funding. In the next financial year we were able to do it because we were able to provide £2.3 million in addition to the settlement that we currently have. It does

setliad sydd gyda ni. Mae yn dibynnu bob blwyddyn. Rydw i'n fodlon i edrych bob blwyddyn. Y bwriad yw treial cael pob awdurdod lleol mewn lle ble maen nhw'n gallu ymdopi â'r gyllideb sydd gyda nhw, a'r toriadau sydd gyda nhw. So, dyna'r egwyddor. Rydw i eisiau bwrw ymlaen gyda'r egwyddor, ond bydd yn rhaid i ni weld yr egwyddor yn y cyd-destun sydd gyda ni bob blwyddyn.

depend on the circumstances each year. I'm willing to look at this on a year-by-year basis. The intention is to try and ensure that all local authorities are in a position where they can cope with the budget that they have, and any cuts that they may face. So, that's the principle behind that. I want to proceed with that principle, but we will have to wait and see what the context is year on year.

[50] **Sian Gwenllian:** Felly, nid ydych chi'n gallu rhoi *guarantee* y byddwch chi'n gallu cario ymlaen efo'r math yma o sefyllfa.

Sian Gwenllian: So, you can't give us a guarantee that you'll be able to continue with that kind of situation.

[51] **Mark Drakeford:** Nac ydw.

Mark Drakeford: No.

[52] **Sian Gwenllian:** Er y byddai'n ddelfrydol i wneud hynny, efallai. Ie?

Sian Gwenllian: Even though it would perhaps be ideal for you to do that.

[53] **Mark Drakeford:** Wel, er enghraifft, nid yw hwn yn mynd i ddiwydd, rydw i'n siŵr, ond os, ar 23 Tachwedd, bydd y Canghellor yn rhoi lot mwy o arian i ni, ac ni fydd toriad o gwbl, ni fyddai achos i gael cynllun fel yr un sydd gyda ni. So, dyna pam rydw i'n dweud, bob blwyddyn, bydd yn rhaid i ni weld y sefyllfa.

Mark Drakeford: Well, for example, I'm sure this isn't going to happen, but if, on 23 November, the Chancellor provides us with a huge increase in funding, and there'll be no cut at all, there would be no need to have such a scheme. So, that's why I say that, year on year, we will have to look at the situation as it stands then.

[54] **Sian Gwenllian:** Iawn. Rydych chi wedi sôn am y £25 miliwn o arian ychwanegol sydd wedi dod yn sgil y trafodaethau efo Plaid Cymru. A ydy hynny yn mynd i gael ei ddyrannu yn bwrpasol yn y gyllideb ar gyfer unrhyw beth penodol? Hefyd, o ble mae'r cyllid yna wedi dod?

Sian Gwenllian: Fine. You've spoken about the £25 million in additional funding that has stemmed from the discussions with Plaid Cymru. Is that going to be allocated specifically within the budget for any specific issues? Also, where has that funding come from?

[55] **Mark Drakeford:** Wel, mae'r cyllid wedi dod o'r arian cyffredinol sydd gyda ni. Yn y trafodaethau gyda Plaid Cymru, y sefyllfa pan oeddem ni'n dechrau ar y trafodaethau oedd nad oeddem ni cweit yn gallu rhoi cyllid i'r awdurdodau lleol heb doriadau o gwbl a'r bwloch oedd £25 miliwn. Yn y trafodaethau, roeddem ni'n gallu cytuno i dreial i ffeindio'r arian yna mas o'r cyllid sydd gyda ni fel Llywodraeth i gyd. So, dyna o ble mae'r arian wedi dod. Y cytundeb oedd jest i roi'r arian mewn i'r fformiwla fel rhan o'r cyllid i gyd sydd gyda ni. So, nid yw am ryw bwrpas arbenigol, ond jest fel rhan o'r cyllid rydym ni'n gallu ei roi i'r awdurdodau lleol.

Mark Drakeford: Well, the funding has come from the general pot, as it were. In the negotiations with Plaid Cymru, the situation when we commenced those negotiations was that we couldn't quite provide funding to local authorities without making any cuts, and that gap was £25 million. In the negotiations we were able to agree to try and find that funding from the general Government budget. So, that's where that £25 million has come from. The agreement was to provide that funding and place it into the formula as part of the general mix. So, it isn't designated for any particular purpose, but it is just part of the funding that we can provide to local authorities.

09:45

[56] **Sian Gwenllian:** Mae'r grant cynnal refeniw yn cynnwys cyllid ar gyfer nifer o brojectau neu gynlluniau, er enghraifft y £25 miliwn ar gyfer gofal cymdeithasol. Sut ydych chi'n mynd i wneud yn siŵr bod yr arian yna yn cael ei ddefnyddio i'r pwrpas yr ydych chi'n ei fwriadu fo? Sut ydych chi'n monitro?

Sian Gwenllian: The revenue support grant includes funding for a number of projects or schemes, for example, the £25 million for social care. How are you going to ensure that that money is used for the purpose for which it's intended? How do you monitor that spend?

[57] **Mark Drakeford:** Diolch. Jest i ddweud wrth ddechrau: yr arian ar gyfer gwasanaethau cymdeithasol, rydym ni wedi dosbarthu'r arian yna nid jest drwy'r fformiwla gyffredinol ond drwy'r rhan o'r fformiwla sy'n

Mark Drakeford: Thank you. If I could say, first of all, that the funding for social services has been distributed, not just through the general formula, but through that section of the formula that deals specifically with

delio â gofal cymdeithasol. Rydym ni'n monitro, fel rydym ni'n gwneud â phopeth. Mae'r awdurdodau lleol yn rhoi gwybodaeth i ni fel y Llywodraeth ac mae swyddogion yn edrych ar y manylion, ac rydym ni'n monitro pethau yn y ffordd yna. So, mae system gennym ni ac rydym ni'n mynd i ddefnyddio'r system sydd gennym ni i'w wneud e yn y flwyddyn ariannol nesaf.

social care. We will monitor this as we monitor everything. The local authorities do provide us with data as a Government, and officials will monitor those details. That's how that monitoring takes place. We have a system in place and we're going to make use of the system we have to do it for the next financial year.

[58] **Sian Gwenllian:** Beth ydy pwrpas yr ychwanegiad—y £25 miliwn yma?

Sian Gwenllian: What's the purpose of that additional £25 million?

[59] **Mark Drakeford:** Y pwrpas yw cydnabod y pwysau sydd yn y maes yna. Pan rydw i mas yn siarad â'r awdurdodau lleol, maen nhw i gyd yn cyfeirio at y galw am y gwasanaethau a'r ffaith bod mwy o hen bobl yn ein cymdeithas ni. So, rydym ni'n gwybod bod y gwasanaethau cymdeithasol dan straen, ac roeddwn i'n awyddus i gydnabod hynny. Ces i lythyr arbennig oddi wrth y bobl sy'n arwain ar ochr gwasanaethau cymdeithasol gyda Chymdeithas Llywodraeth Leol Cymru, yn tynnu sylw at y pwysau maen nhw'n ei wynebu yno. So, dyna pam roeddwn i eisiau rhoi arian ychwanegol i mewn i'r setliad a'i roi e i mewn drwy'r rhan o'r cyllid sy'n delio â gwasanaethau cymdeithasol yn arbennig.

Mark Drakeford: Its purpose is to recognise the pressures that exist in that particular sector. When I speak to local authorities, they all refer to the demand for services and the fact that there are more elderly people in our society. Therefore, we know that social services are under pressure, and I was eager to recognise that. I received a letter from those people who lead on social services within the Welsh Local Government Association, highlighting the particular pressures that they face in that area. So, that's why I wanted to provide additional funding within the settlement and to provide that funding through the part of the formula that deals specifically with social care.

[60] **Sian Gwenllian:** A fydd o'n mynd at weithgareddau penodol?

Sian Gwenllian: Will it go towards specific activities?

[61] **Mark Drakeford:** Na. Yn y

Mark Drakeford: No. At the end of

diwedd, mae lawr i'r awdurdodau lleol eu hunain i ddefnyddio'r arian ar gyfer y sefyllfa maen nhw'n ei hwynebu, ac mae pethau yn wahanol dros Gymru i gyd. So, na, mae'r arian iddyn nhw at bwrpasau gwasanaethau cymdeithasol ac mae lan iddyn nhw i wneud y penderfyniad ar y manylion.

the day, it is down to the local authorities themselves to use the funding in order to respond to the situation that they face, and things are different the length and breadth of Wales, of course. So, the funding is available to them for the purposes of social services, and it's up to them to decide on the details.

[62] **Sian Gwenllian:** Diolch. Jest troi at y cynllun peilot parcio canol trefi a'r £3 miliwn, a fedrwch chi gadarnhau bod y £3 miliwn yna'n rhan o'r grant cynnal refeniw? Nid yw'n arian glân ychwanegol, nac ydy?

Sian Gwenllian: Thank you. Just turning to the pilot scheme to support town centre car parking and the £3 million allocated for that, could you confirm whether that £3 million is part of the revenue support grant? It's not additional funding, new funding, is it?

[63] **Mark Drakeford:** The £3 million, Chair, is part of the final figure that we have arrived at. It's partly why there is a very small increase above the—. We're calling it a flat cash settlement, because it is broadly that, but there is a small amount of money above flat cash, actually, in this settlement that reflects some of those additional agreements that we came to with Plaid Cymru over the car parking pilot and the £1 million for school transport as well.

[64] **Sian Gwenllian:** Ond mae o'n rhan o'r RSG.

Sian Gwenllian: But it is part of the RSG, is it?

[65] **Mark Drakeford:** Ydy. I mewn i'r RSG y mae e, ond rydym ni'n mynd i—

Mark Drakeford: Yes. It is part of the RSG, but we are going to—

[66] Sorry, I'll check I've got this right with Debra. The £3 million, it's gone through the RSG, right, it's not a special grant, is it?

[67] **Ms Carter:** No.

[68] **Mark Drakeford:** I was keen not to have special grants for small amounts of money, because the administrative costs of it eat into the money.

So, the money's gone through the RSG, but it is for that purpose. If and when the budget is confirmed by the National Assembly, we will then draw up the rules that will govern the use of that money with local authorities, and we'll then be able to monitor its use as a separately accountable sum of money, albeit one that is actually in the RSG.

[69] **Sian Gwenllian:** Roeddwn i'n falch o weld hynny. Rydw i'n gwybod mai swm bychan iawn o arian ydy o, ond mae o'n mynd i alluogi rhai awdurdodau lleol sydd efo trefi sydd wedi gweld colli cwsmeriaid dros y blynyddoedd—. Rydym ni'n gwybod am rai ardaloedd lle mae canol y trefi'n dioddef go iawn oherwydd bod yna ddatblygiadau mawr ar gyrion y trefi erbyn hyn. Arian bach ydy o, ond mae o'n mynd i alluogi awdurdodau lleol i gynnal peilot, onid ydy? Rwy'n credu bod yna werth iddo fo yn y ffordd yna. Sut ydych chi'n gweld hyn yn gweithio? A fydd eisiau meini prawf? A fydd pobl yn gwneud bid i ryw bot o arian ac os ydyn nhw'n dod i fyny efo'r meini prawf, a fydd yna flaenoriaethu pwy sy'n cael yr arian yn ôl pa mor ddrwg ydy'r sefyllfa? Ai fel yna fydd o'n gweithio?

Sian Gwenllian: I was pleased to see that. I know that it is a relatively small sum of money, but it's going to allow some local authorities that have towns that have seen a loss of customers over the years—. We've seen areas where town centres are genuinely suffering because there are large-scale developments on the outskirts of those towns. It's a relatively small amount of money, but it is going to allow local authorities to have a pilot scheme, isn't it? So, I think there is value for it in that regard. How do you see this working? Will there need to be criteria? Will people make a bid to a pot of funding and if they meet certain criteria, will there be a prioritising of who receives the funding according to how serious the situation is? Is that how it will work?

[70] **Mark Drakeford:** Nid ydym wedi cytuno ar y manylion eto, Gadeirydd, ond pethau fel yna fydd y pethau byddwn ni'n eu trafod â'r awdurdodau lleol. Peilot yw e, so bydd yn rhaid inni ffeindio ffordd i brofi beth mae pobl yn ei ddweud inni. Rwyf wedi clywed yr achos a hefyd mae Rhianon wedi dweud yr un peth wrthyf fi o'r blaen am yr effaith y mae codi costau ar barcio wedi'i chael ar y stryd fawr. So, cawn ni

Mark Drakeford: We haven't agreed on the details as of yet, Chair, but those are the kinds of things that we will discuss with the local authorities. It is a pilot scheme, so we will have to find a way of testing what people tell us. I've heard the case made and Rhianon has said similar things to me in the past about the impact that car parking charges can have on our high streets. So, we will have to wait and see. We will have to wait and see

weld. Bydd yn rhaid inni weld nawr, os yw'r costau'n mynd i lawr neu'n diflannu, a fydd hynny'n cael effaith ar bobl yn dod i mewn i siopa a phethau fel yna. Dyna pam mai peilot yw e i weld a fydd hynny'n digwydd. Bydd yn rhaid inni gynllunio'r ffordd rŷm ni'n defnyddio'r arian mewn ffordd ble rŷm ni'n gallu gweld os yw'r effaith yn mynd i fod fel rŷm ni'n ei feddwl.

whether the costs being reduced or disappearing will have a positive impact in terms of people using our high streets and so on. That's why it is a pilot—to see whether that is effective and whether that works. We will have to plan how we use that funding in a way that allows us to see whether the impact is as we would perhaps anticipate.

[71] **John Griffiths:** Okay. Thanks for that. Jenny, did you want to come in on this specific issue?

[72] **Jenny Rathbone:** Yes, please. As an enthusiast of the Active Travel (Wales) Act 2013, I have some concerns about this and I just want to probe a little bit to make sure that this wouldn't enable a big city like Cardiff to abolish parking fees when they've already got park-and-ride schemes. Would they be able to apply to subsidise the park-and-ride scheme? What opportunities would there be for local authorities to charge for parking at these out-of-town shopping centres? It seems to me that that's part of the problem.

[73] Additionally, on a separate issue, I just want to know a little bit more about the £1.5 million for school transport, because I would prefer to see it going to active travel plans, but maybe there are specific issues in a particular area.

[74] **Mark Drakeford:** Well, Chair, the ideas that Jenny has mentioned in the first part of what she asked, I think, become part of the way we will think about designing the scheme. She is quite right. In my own constituency, the local authority has started charging for car parks along Cowbridge Road, for example, and what shopkeepers there say to me is that that has been a big plus to their businesses, because prior to that, when the parking was free, the car park was full at 8 o'clock in the morning with people who work in the centre of Cardiff and no shoppers could park there at all. Now that you get two hours free and you have to pay after that, it means there's a turnover and they feel that charging has actually benefited their businesses. So, we've got to do it in a way that I think both Members have suggested—by calibrating the pilot to the problem, rather than just putting money out

indiscriminately, because the problems and issues will be different. It's a town-centre car parking scheme; it's not the centres of large cities that have been in mind when we were talking about it. I think Jenny raised some very interesting points about whether, in future, there will be possibilities available to the National Assembly for dealing with out-of-town parking and whether there will be new things we might be able to do to level the playing field in that way.

[75] The £1 million for school transport is to recognise the fact that some local authorities have had to make invidious decisions to provide school transport arrangements at the very minimum of what the law requires, and in certain parts of Wales, this does have a very direct impact on children, and inevitably children from the least well off families, which are the families that find it hardest to cope with those reductions. So, it's a modest sum of money, but it is aimed to try to ameliorate some of the most difficult decisions that authorities have had to make in that field.

[76] **Jenny Rathbone:** I would be interested in some detail on that, just to see how it works, perhaps not in the meeting.

[77] **Mark Drakeford:** Sure.

[78] **John Griffiths:** Perhaps a note on that, Cabinet Secretary, would be useful in due course. Okay. Rhianon.

[79] **Rhianon Passmore:** Can I just ask, related to the specific projects, how the spending delivery of these specific projects under the RSG is going to be monitored, particularly the £25 million?

[80] **Mark Drakeford:** As I tried to say to Sian, part of the way that we will design the pilots is that, although the money is in the RSG, we will be able to obtain information from local authorities about how these particular bits of extra money are being deployed. And we need to do that, because, if it is a pilot scheme, we have to use it to test that basic proposition, that if parking charges, for example, are abolished in town centres, that that will result in more people parking and shopping there. It's a proposition at the moment. This will allow us to test whether that proposition turns out to be—that actual behaviour follows the proposition.

[81] **Sian Gwenllian:** A gaf i ddweud **Sian Gwenllian:** Can I just make one un peth bach ar hynny, y parcio am point on the free parking? It is

ddim? Mae o'n rhywbeth sydd yn codi pan mae rhywun yn siarad efo busnesau bach yng nghanol rhai o'n trefi ni, lle mae nhw wedi gweld gostyngiad mewn pobl yn dod i fewn i ganol y dref. A beth mae nhw'n ei ddweud ydy—nid ydyn nhw'n galw am barcio am ddim; nid wyf yn meddwl mai hynny yw'r galw—rwy'n meddwl mai beth maen nhw eisiau ydy cyfnodau, dywedwch dwy awr, pedair awr, er mwyn denu pobl i fewn. Mae o'n rhan o becyn o beth mae rhywun yn gallu ei gynnig i fusnesau bach. Mae o'n cyd-fynd efo gostyngiad mewn trethi busnes, onid ydy, hefyd? Ond nid wyf yn meddwl bod angen i ni fynd lawr y lôn ein bod ni'n cynnig parcio am ddim drwy'r dydd mewn meysydd parcio yng nghanol y trefi—peilot i weld a fyddai dwy awr yn y bore, neu bedair awr, mewn rhai meysydd penodol sy'n agos at ganol y trefi—. Rwy'n meddwl bod yn rhaid bod yn reit glir beth fydd y meini prawf, ac efallai bod hynny'n waith y gallai'r pwyllgor yma helpu efo fo—wrth symud ymlaen, ein bod ni'n cael cyfle i drafod pa fath o gynllun rydym ni'n sôn amdano. Ond yn sicr, mae o'n rhoi neges dda gan Lywodraeth Cymru i ganol y trefi, i'r busnesau bach, ac i siopwyr hefyd. Mae o'n rhan o'r symudiad yma i hyrwyddo delwedd canol trefi, ac mae o'n un o'r arfau y gallwn ni fod yn ei ddefnyddio, os ydy o'n llwyddiannus. Os nad yw o'n llwyddiannus, dyna fo, rydym ni wedi trio.

something that arises when people talk to small businesses in some of our town centres, where they have seen a decrease in footfall in the town centre. And what they do say is that—they're not calling for free parking; I don't think that's the demand—I think what they want are periods of, say, two hours, four hours, to attract people into the town centre. It's part of a package that people can offer to small businesses. It corresponds to a decrease in business rates and so on, doesn't it? So, I don't think we need to go along the route of offering free parking all day in car parks in town centres. What we're asking for is a pilot to see whether two hours in the morning, or four hours in some specific car parks that are close to town centres, would work. I think we have to be very clear what the criteria will be, and perhaps that is work that this committee could assist with. In moving forward, perhaps we should have an opportunity to discuss what kind of scheme we're talking about here. But, certainly, I do think that it does give a good message from the Welsh Government to town centres, and to shoppers and to small businesses. It's part of this shift towards promoting the image of town centres, and it's one of the tools that we could be using, if it's successful. If it's not successful, that's it, we've tried.

[82] **Mark Drakeford:** Wel, **Mark Drakeford:** Well, Chair, it's been Gadeirydd, mae wedi bod yn help y useful to hear the comments of bore yma i glywed sylwadau committee members this morning. aelodau'r pwyllgor. Mae wedi bod yn It's already been useful, so thank you help yn barod, felly diolch yn fawr. very much.

[83] **John Griffiths:** Okay. Thank you very much for that. I think we'll move on to some questions around monitoring and assessment of the quality of local government services, and how the financial settlement may assist with that. I think Jenny has some questions.

[84] **Jenny Rathbone:** Diolch. I wonder if you could just elaborate a little bit more on what preparations you expect from local government, in light of your predictions of tougher times ahead. For the next financial year, you've said that there's going to be a flat cash settlement. What do you expect local authorities to be doing to prepare for the more regionalised arrangements, and what levers are available to you?

[85] **Mark Drakeford:** Thank you, Chair. I might ask Reg to add some detail to this, because he's worked on this agenda with local authorities for a while. Let me just repeat, if I could, what I said in answer to an earlier question: that what I don't think will be a sustainable way forward will simply be for local authorities to think that, by bits of salami slicing and bits of running even faster, they can just carry on doing everything that they've always done, in the way they've always done it. So, this has to be an opportunity to think differently in that way. There is a menu of things that they can be drawing on that already exists to do that—more regional working, building on some of the things they're doing already. I've been clear in what I've said, that voluntary mergers come back onto the table, in the way that we will think of the future. So, if there are local authorities who think that that would be a way that they could strengthen their ability to provide services in future, they know that the door is open to them to make those propositions

10:00

[86] There are different ways, in the way that Paul Davies alluded to, in which services can be sustained in future. I mentioned in my reply to him a theme that has emerged in my discussions with local authorities across Wales, which is the way in which, when these things are done well, it is possible to use the resources of community and town councils in a different way to take on some of the things that, otherwise, local authorities would not

be able to do. And when it's been done well and with the active involvement and agreement of community councils, you can see advantages that are not just to do with the money side of things, but actually those services can be delivered closer to communities and in a way that gives those communities a greater say in it all.

[87] In my conference speech later this morning, I'm also going to be putting a bit of a challenge down to local authorities about recalibrating their relationship with the citizen. My message to local authorities is that the way that some services have run in the past, where the person who comes through the door is thought of as problem to be solved, and a deficit model of the way that we provide services—we're always trying to design services to make good problems—we've got to change that. We've got to think of the person who comes through the door as an asset, someone who has abilities, who has strengths, who has things that they can contribute, and, in a way, to liberate the contribution that people turn out to be very keen to make once they think they've been given a genuine offer to make that contribution. I think if we can change, in the way that the social services Act tries to do in the social services field—to change the nature of the conversation with the citizen—then I think that's another way in which we will find services can be made more sustainable into the future.

[88] It's that range of things that I want local authorities to be grappling with over the next 18 months. I think they should look across our border for some examples there, too. Our local authorities in Wales have had to absorb cuts, and they've been very difficult—they've had 4 per cent real-terms cuts in the last four years—but their English counterparts have had 25 per cent real-terms cuts over the same period. Now, I don't want our local authorities to be in that position at all, but I do think there are things that can be learned from the way that good Labour authorities on the other side of our border have managed in those circumstances, and our local authorities will need to be inventive in the way that they try to apply some of those lessons in the Welsh context, too.

[89] **Jenny Rathbone:** Your predecessor in the fourth Assembly put some figures of estimated savings from his proposed reorganisation of local government somewhere between £600 million and £950 million, and I just wondered whether you have a similar figure in your mind for the way you want to take forward the regionalised collaborative approach.

[90] **Mark Drakeford:** Well, Chair, if we get to a point where I'm able to

bring legislation to the floor of the National Assembly, then that Bill will have to have a completely revised regulatory impact assessment. Where did those figures come from? Well, those are savings that were expected to be derived over a 10-year period, so they weren't just all going to happen in a year; they were spread over 10 years, and they are the result of weighing up the efficiencies that you might have gained from a new, smaller number of councils in Wales against the costs that would have been incurred in bringing about that model. Now, in the model that I am proposing, I believe the costs will be lower, because I don't foresee, whole scale, people being employed by different bodies than the ones they've been employed by in the past, and so on. It may be that the extent to which you can drive efficiencies will be different in a regional co-operative model than in a completely redrawn map, but I would certainly expect to come to the Assembly with an impact assessment that shows the equivalent set of figures for the new way we're doing things, compared to the old. I don't expect them to be identical, they won't be made up of the same components, but I would certainly expect to be able to bring that forward.

[91] **Jenny Rathbone:** And, in the meantime, with this £5 million you've set aside for transformation and legislation, could you just give us a bit more information about how you see that being used as an interim measure?

[92] **Mark Drakeford:** It's a very modest sum of money, Chair, in the grand scheme of things. I think it was £2.7 million this year and it's going to be £5 million next year. I wanted to try and put a small amount of extra money in it because I do want, next year, to be able to support local authorities on the journey that they need to be on. There may be a variety of ways in which that might happen. As I've said, I want to be clear with local authorities that, where local authorities themselves decide that voluntary mergers would be in the interests of their local populations, I wouldn't be neutral on that; I'd want to do what I could to support them in bringing those arrangements to fruition. There may be the need for some modest investment in helping that to happen.

[93] On some of the other things that I've talked about this morning, again, if there are things that we can do from the centre to put local authorities in a better position to face the difficult times ahead, I want to be able to assist them in that and that £5 million gives me a modest amount of flexibility to be able to do that.

[94] **Jenny Rathbone:** So, that would include voluntary mergers, were local

authorities wishing to pursue that. But would £5 million be sufficient?

[95] **Mark Drakeford:** No. By itself, £5 million would not be sufficient, but next year—even if a local authority came forward tomorrow and said they wanted to merge, they wouldn't get it done in the next financial year, but there would be preparatory work and other things that we would want to be able to help them with. Reg, who has done some of this work—much more than me—can probably give you some better examples.

[96] **Mr Kilpatrick:** It might help if I just provide a couple of examples that link your last question to the first one, which is: what do we expect local authorities to be doing over the next 18 months? I think it's probably three things: it's about redesigning services, transforming services and actually working together perhaps more than they have been doing. We have some really great examples of authorities that are already doing this work. They're learning from England, but through particular projects—a couple of which have been funded from this year's legislation and transformation budget and may give you a flavour of what we might do in future.

[97] We're currently working with Rhondda Cynon Taf to look at its estates. We're working with an independent consultant to look across the public sector and look at where all the buildings and the land are within health, police, local government and others. This is a really interesting piece of work. The amount of land and assets that the public sector holds is quite staggering. But we, and our public service partners, don't always make the best use of it because we've never looked at it in this way. So, the idea there is that we will build up a comprehensive picture of land and building assets in that area, which will enable authorities and others to begin to dispose of that, where that's appropriate, to plan their own location strategies or their own investment strategies in a much more joined-up and systematic way than they have done in the past. That's a piece of work we funded from this year's legislation and transformation budget to the extent that if that's a success—and I'm very confident that it will be—we can perhaps begin to roll that out to other areas, and then there will be another step, potentially, to look at what we do with those assets.

[98] On the second issue about redesigning services, digital is a really growing area. The Welsh Government now has a chief digital officer and we are doing some work with authorities to find out what their digital capability and capacity is and, more to the point, what their ambitions are and what we can do to help those.

[99] Thirdly, a point about working together: there are some really good collaborative activities that are already under way. A great example would be the joint archive service between three local authorities, which has not only saved money but created a far better service. Transformation isn't all about saving money, sometimes; it's about creating a more resilient and a more responsive and, potentially, a more agile service than we have at the moment.

[100] **Jenny Rathbone:** How do you see public service boards driving this approach?

[101] **Mr Kilpatrick:** At a local level at the minute, they are absolutely key. Certainly between Merthyr and RCT, they've merged because they can see already the opportunities that are being offered by more regional working—they are a couple of authorities that have good links already. But, certainly, having key public service leaders in a room working on the basis of a common needs assessment, which identifies what they need to do for their communities potentially, which, rather than maybe looking at the deficit in the way that we have in the past, gives us a really powerful new lever to work in all sorts of new ways across Government policy, not just in local government.

[102] **Jenny Rathbone:** My final question is: by revoking the requirement for local authorities to provide performance indicators on a whole suite of issues, how do you think you're going to be able to assess the best value that local authorities are providing, or not?

[103] **Mark Drakeford:** The decision to revoke the 2012 Order was one that was begun by my predecessor and it is part of a larger pattern that I am very keen to continue, which is, in order to assist our public services to manage in the difficult circumstances they will find themselves, we have to lift some of the bureaucratic burden that we place on them—the hours and hours of officer time, both in local authorities and then in the Welsh Government, that is spent on the collection of data that do not often add materially to your ability to provide good policy.

[104] The 25 indicators are already out of date. You can only change them by going through the whole Assembly procedure, consulting on them and so on. As a result, we've still got the 2012 indicators and every single one of those indicators is already reported in a different way. So, we lose nothing by

abolishing it, because the information will be there in any case. In the end, it came on my desk to complete the process, and because I was asking myself some of the same questions—‘What are we losing here? Are there things we really want to know that we won’t know in the future?’—I went back and looked at the consultation exercise and it goes through them and it looks at various examples. For example, we won’t be counting the number of people who use libraries through this method, but the Welsh public library standards mean that that information is already being collected and will be available there. We won’t be collecting disabled facility grant times through this method in the future, but that is already reported every year through the assistance for housing improvement statistics that local authorities have to provide.

[105] So, I’m confident, at the end of it, Chair, that we won’t lose anything material and, actually, that the indicators will not be out of date in the way that they risk being by this method, and in the process we will have lifted some of that bureaucratic burden off the shoulders of local authorities and enable them to use the fewer hands on deck that they have to do all the things we need them to do for better purposes than just duplicating data that we’ve got in any case.

[106] **Jenny Rathbone:** That sounds extremely reassuring, thank you.

[107] **John Griffiths:** Thank you for that, Cabinet Secretary. Joyce.

[108] **Joyce Watson:** Just a small question: you talked about transformational changes, and you talked about land acquisition. Are you linking that into, then, the national infrastructure programme, because that seems—if we’re talking about doing things in a different way, and if we’re talking about driving economic change differently, as we have no choice, post Brexit—a logical next step to me, and also linking it then to regeneration in terms of building houses and how you stop certain types of houses being only built in some areas and other types of houses only being built in other areas and building—in future problems?

10:15

[109] **Mark Drakeford:** I thank Joyce for that question, which is an important one. The work that Reg was talking about is being done at the moment in the RCT-Cwm Taf area—the asset mapping and then attempting to get everybody in the public sector who has assets around the table to drive more

efficient use of those assets. But that work is being overseen by the national assets working group, so there is a national perspective on it. That's chaired by Helen Paterson, who is the chief executive of Wrexham council. Northern Ireland have done a great deal of work in this area already and the reason they do it is because, if you can make better use of your public sector estate, you drive out some revenue savings further down the line that you can use for other purposes and you identify assets that you can use better in the future—that includes land, and it includes it in the way that Joyce was suggesting. So, we have a very ambitious target as a Government of 20,000 new affordable homes in Wales over the next five years—one of the ways we will want to try and achieve that is by releasing land that public bodies own but don't have a use for, so that it can be used for affordable housing in the future. So, the work that's been done in Cwm Taf absolutely has to lead into that bigger picture set of items. The finance Minister of the north of Ireland has been very generous, I think, in saying that we can have access to the lead officials who have been responsible for making this programme happen. They've done it for three years and they've got some very impressive results to show for it, and they're willing to make that expertise available to us in Wales.

[110] **John Griffiths:** Okay. Thank you very much, Cabinet Secretary. We'll move on to further questioning and Bethan Jenkins.

[111] **Bethan Jenkins:** Rwyf jest yn mynd i ofyn cwestiynau ynglŷn â'r Gymraeg yn benodol i gychwyn, ynglŷn â'ch asesiad chi o'r cynigion yn y gyllideb ddrafft sydd yn caniatáu i lywodraeth leol weithredu Mesur y Gymraeg (Cymru) 2011. Mae'n amrywio yn fawr iawn o lywodraeth leol i lywodraeth leol, o ran safon y gwasanaeth maen nhw'n ei ddelifro. Mae gen i nifer o gwynion ar hyn o bryd am y diffyg—wel, fe wnaif i ddefnyddio'r gair *alleged*—*alleged* diffyg gallu nifer o gynghorau i gynnal y safon hynny. Felly, sut, yn y gyllideb ddrafft yma, ydych chi'n adlewyrchu cefnogaeth i lywodraeth leol i allu delifro hyn—ond nid yn

Bethan Jenkins: I was just going to ask some questions about the Welsh language in particular to begin with, with regard to your assessment of the proposals in the draft budget that allow local authorities to implement the Welsh Language (Wales) Measure 2011. The situation varies greatly from local authority to local authority with regard to the quality of the service that they provide. I've received a great many complaints at present about the alleged lack of ability of councils to maintain the standards expected. So, how does this draft budget reflect support for local authorities to be able to deliver this—but not just in terms of funding

unig yn y gyllideb o ran arian ond o ran agwedd hefyd tuag at y ffaith bod hyn yn bwysig a bod hyn yn angenrheidiol i ddelifro, yn hytrach na'i weld ef fel bwrn ar awdurdodau lleol?

[112] **Mark Drakeford:** Wel, mae yn angenrheidiol, rwy'n cytuno gyda hynny, ac mae cyfrifoldebau ar bob awdurdod lleol drwy'r Mesur, wrth gwrs. Yn y cefndir o ran y gyllideb sydd o flaen y pwyllgor y bore yma yw'r adroddiad dan enw Rhodri Glyn Thomas. Roedd y Gweinidog diwethaf wedi comisiynu yr adroddiad yna, so ces i gyfle i siarad gyda Rhodri Glyn yn ôl yn yr haf am yr adroddiad. Rŷm ni wedi bod mas gyda'r adroddiad gyda phob awdurdod lleol—rŷm ni wedi casglu'r atebion gyda nhw. Cwrddais i â'r person sy'n arwain yr heddlu yn y gogledd ar eu cynllun nhw, achos, yn adroddiad Rhodri Glyn Thomas, roedd e'n cyfeirio at y gwaith maen nhw'n ei wneud yn yr heddlu yn y gogledd fel enghraifft o ymarfer da yn y maes yma. Dysgais i lot o bethau yn y cyfarfod yna, ac mae lot o bethau, rydw i'n meddwl, mae'r awdurdodau lleol yn gallu eu tynnu mas o'r profiadau maen nhw wedi eu cael yn yr heddlu yn y gogledd. So, rydw i'n awyddus i fwrw ymlaen gyda'r adroddiad yna gydag Alun Davies, gyda'i gyfrifoldebau ef hefyd.

[113] Un o'r pethau rydw i'n ei feddwl—a barn bersonol yw hyn ar hyn o bryd—yw pan fyddem ni'n

but also in terms of the attitude towards the fact that this is important and that it's vital for it to be delivered, rather than its being seen as a burden on local authorities?

Mark Drakeford: Well, it is entirely necessary, I agree with that, and there are responsibilities placed on all local authorities through the Welsh Language Measure, of course. Now, as a background to the budget before the committee this morning, there is the report produced in the name of Rhodri Glyn Thomas. The previous Minister had commissioned that report and I had an opportunity to speak with Rhodri Glyn in the summer about that report. We've been visiting each and every local authority to discuss the report, and we've gathered their responses. I met with the lead officer for the North Wales Police on their scheme, because Rhodri Glyn Thomas's report made reference to the work that they do in North Wales Police as an example of best practice in this area. I learnt a huge amount during that meeting, and there are a number of things that local authorities could draw out of the experiences of North Wales Police. So, I am very eager to proceed with that report along with Alun Davies, who has lead responsibility for the Welsh language.

This is a personal view at the moment, but one of the things I think is that, as we move towards a more

symud at weithio yn rhanbarthol, bydd hynny'n rhoi cyfleon i gryfhau gwasanaethau drwy gyfrwng yr iaith Gymraeg hefyd. Os rydym ni'n cynllunio ar lefel ranbarthol ac yn defnyddio'r adnoddau sydd yna ar lefel ranbarthol hefyd, mae hynny yn helpu i roi mwy o gyfleon i ddysgu ar draws y rhanbarth ond hefyd i ddefnyddio'r adnoddau yna. Yn y trafodaethau rydw i'n eu cael gyda phob awdurdod lleol, rydw i'n codi'r posibilïad yna. Cefais gyfle i wneud hynny yn y gorllewin yr wythnos diwethaf gyda'r bobl o Sir Benfro, Ceredigion a Chaerfyrddin. Roedden nhw'n gallu gweld y posibilïadau i rannu'r adnoddau sydd gyda nhw ar hyn o bryd i gryfhau'r gwasanaeth maen nhw'n gallu ei roi drwy'r Gymraeg yn y dyfodol.

[114] **Bethan Jenkins:** Rwy'n parchu hynny, ac rwy'n gobeithio y bydd hynny'n digwydd, achos ar hyn y bryd mae hi mor wahanol o ardal i ardal. Ond, ar hyn o bryd—er enghraifft, efallai y gallwch chi ei gymharu â'r hyn sydd yn digwydd yn y maes trais yn erbyn menywod. Hynny yw, os yw mwy o bobl yn reportio i Gomisiynydd y Gymraeg yn sgil, efallai, datblygiadau sydd yn digwydd yn rhanbarthol lle mae arfer da yn cael ei rannu, a ydych chi'n hyderus y bydd y comisiynydd, o dan yr amgylchiadau tynn ariannol—nid yw'r comisiynydd wedi cael unrhyw fath o gynnydd yn ei chyllideb y tro yma, yn y drafft—yn gallu delio neu ymdrin â'r rheoleiddio sydd yn rhan

regionalised model, that will provide opportunities to strengthen Welsh language services. If we plan at that regional level and use the resources that exist at a regional level, then that will assist in providing further opportunities to learn lessons across that region, but also to use the resources available within that region. So, in the discussions that I have with all local authorities, I do raise these issues. I had an opportunity to do it in west Wales last week with representatives of Pembrokeshire, Carmarthen and Ceredigion. They could see the possibilities of sharing resources that they currently have in order to enhance the services that they can provide through the medium of Welsh in future.

Bethan Jenkins: I respect that, and I very much hope that it happens, because it varies so much from area to area. But, at present—for example, you could compare the situation with what's happening with regard to violence against women. That is, if more people report to the language commissioner as a result of developments that are happening regionally where there is good practice being shared, are you confident that the commissioner, under the financial pressures that she's facing—she hasn't received any kind of increase in her funding and budget this time, in the draft—will then be able to deal with the regulatory work that's part of her

o'i swydd yn y cyd-destun yma?

role in this context?

[115] **Mark Drakeford:** Wel, Gadeirydd, o dan y cyfrifoldebau sydd gyda i fel y Gweinidog dros gyllid, rŷm ni wedi cael trafodaethau gyda phob comisiynydd. Yn y diwedd, maen nhw hefyd yn yr un lle, fel rydym ni i gyd—nid oes digon o arian i wneud popeth maen nhw eisiau ei wneud. Ond rŷm ni wedi dod i gytundeb gyda nhw i gyd am y cyllid ariannol am y flwyddyn nesaf. Maen nhw'n gwneud mwy o waith gyda'i gilydd, hefyd, o ran gwasanaethau yn y cefndir i drïo rhoi mwy o arian i wneud pethau ar y *front line*. So, rwy'n siŵr, pe bai'r comisiynydd o flaen y pwyllgor, y byddai hi'n dweud bod lot mwy o bethau bydd yn gallu eu gwneud pe bai arian ar gael, ond rwy'n hyderus bod ddigon o arian gyda hi i fwrw ymlaen â'r cynlluniau sydd gyda hi ac â'r gwaith pwysig mae hi'n ei wneud hefyd.

Mark Drakeford: Well, Chair, in terms of my responsibilities as Minister for finance, we have had discussions with all the commissioners. Ultimately, they are in the same place as the rest of us—there's not enough money available to do everything that they would want to do. But we have come to an agreement with all of them on the budget for the next financial year. They are collaborating more, too, in terms of the background services to try to provide more funds for front-line activity. So, I am sure, if the commissioner were to appear before the committee, she would say that there would be much more that she could do if the funding were available, but I am confident that there is sufficient funding available to her to proceed with her plans and the important work that she does too.

[116] **Bethan Jenkins:** Mae gen i gwestiwn ar Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 hefyd: sut mae hynny wedi dylanwadu ar eich portffolio, ac a fydddech chi yn gallu ein helpu ni i ddeall lle yn eich cyllideb mae hynny'n cael ei adlewyrchu? Oherwydd rydym ni wedi clywed lot gan Weinidogion ynglŷn â'r ffaith bod hyn yn mynd i ganiatáu ichi gydweithredu'n well, ond mae hi wedi bod yn anodd i ni allu, efallai, dilyn hynny a gweld sut y bydd y Ddeddf, gyda'r cyllidebau fel y maen

Bethan Jenkins: I have a question on the Well-being of Future Generations (Wales) Act 2015 as well: how has that influenced your portfolio and could you assist us to understand where in your budget that is reflected? Because we have heard a great deal from Ministers about the fact that this is going to allow you to collaborate on a surer footing, but it's been very difficult for us, perhaps, to follow that and see how this Act, with the budgets as they currently stand, will allow you to collaborate better together.

nhw, yn caniatáu ichi weithio'n well
gyda'ch gilydd.

[117] **Mark Drakeford:** Thank you for the question. The way that I tried to approach the application of the Well-being of Future Generations (Wales) Act in relation to the local government budget was to take the five ways of working that the Act sets out and then to try to see the budget through the lens that the Act sets up, Chair. I absolutely accept that this is work in progress, and that we hope we will develop in the sophistication of our ability to use the possibilities that the Act provides to do more of this in future. But I did come out of the discussions that I had with officials feeling some confidence that we've made a proper start on that in this budget, as far as the local government side is concerned.

[118] So, if I very briefly just remind people of what the five ways of working are and show you where I think you can see their impact on the budget, the first one is that we must take into account the long-term impacts of our budgets when making budget decisions. The fact that we have been able to fund the metro and the fact that we are able to fund the city deal, which is 10 local authorities in the Cardiff capital region, working over 20 years—so, that's a long-term horizon and a long-term commitment from the Welsh Government to supporting that city deal—. There's £10 million. You won't find it in the RSG, because the component members of the city deal have to do a bit more work to release the money, but the £10 million for next year is there in the budget for them as soon as they complete that work.

[119] The second of the five ways of working is a focus on prevention. I think you can see that the £25 million for social services is a part of our commitment to making sure that preventative services are there, but we've also made permanent the pupil deprivation grant in the budget next year. The fact that we've been able to sustain the Supporting People without any cash cuts in it—I think all are examples of how, if you look through that prevention lens, you see it reflected in local government services in Wales.

[120] The third of the five ways of working is through integration. In the local government field, I would probably go back to the example that Joyce mentioned, which is that, if we're going to build houses of the sort that we would like to see in the places we would like to see them, then the land responsibilities and acquisitions that local authorities own with their economic development responsibilities, on the one hand, have got to be released for those sorts of purposes, working across the boundaries within

local authorities.

[121] The fourth one is collaboration and the whole approach that we are taking to local government reform. The essential way in which it is different to what we have done in the past is that it relies entirely on our ability to mobilise collaboration across local authorities and the Welsh Government to come to an agreed conclusion.

[122] The final of the five ways of working is involvement. I am very keen to learn from, and to encourage, some of the work that's already gone on in local authorities in relation to participatory budgeting. So, part of our agreement with Plaid Cymru for the work of the finance liaison committee is that we will look to see whether we can have a pilot of participatory budgeting across the whole of the Welsh Government's budget next year. But to do that, I'm keen to learn from some of the ways in which Gwynedd, for example, mounted a significant exercise to involve its local population in facing some of the tough decisions that that local authority has to make.

[123] So, I think, across the whole of the five ways of working, you can see how we try to view this budget through the lens that the Well-being of Future Generations (Wales) Act sets up in a practical way. I think one of the challenges I face with the Act—as I think other people do—is to try and take its aspirations and find a way of grounding them in practical ways of doing things differently. As I say, I don't claim any more than this is a start on it, but I think you can see that start genuinely being made in this budget.

[124] **Bethan Jenkins:** Are there things that you have done here that you would—? Has the Act allowed for you to think differently about how you would have done it? For example, would there have been things in the past that you would have had to have said, 'Gosh, we couldn't do this now under this new way of thinking, with the five indicators'—to give us some idea as to where you've come from to arrive at the stage that these issues are more important?

[125] **Mark Drakeford:** I don't think I could necessarily claim that there are lots of things that we wouldn't have done at all if it wasn't for the Act, but what I think the Act does is it reprioritises the way you think about things and allows you to bring forward and provide a greater prominence to things that might have been on your long list of things to do, but now get higher up the list of things. Because if you're looking through the lens of the Act, you suddenly see, well, of course, that is something you would want to do. So,

the way that we're going to go about the childcare offer, I think, is different because of the Act, because of that involvement—that final way of working. I think we're more alert to the fact that we've got to design the childcare offer in a way that has parents right in the middle of the way that we think about it. The fact that, next year, there are £10 million to pilot different ways in which you can design the new childcare capacity recognises that you could do it one way, and the capacity would be there, but parents wouldn't find that way of providing it very useful. Do it a different way and the capacity is there in a way that can be used. So, the involvement principle, I think, has changed the way that we are approaching things in that way.

[126] **Bethan Jenkins:** Thanks.

[127] **John Griffiths:** Okay, Bethan. Sian, did you want to come in at this stage?

<p>[128] Sian Gwenllian: Jest ynglŷn â'r Gymraeg. Rwy'n falch iawn o weld, wrth gwrs, yn rhan o'r cytundeb hefo Plaid Cymru, bod yna fwy o arian yn mynd tuag at brojectau penodol—yr asiantaeth iaith genedlaethol a Chymraeg i oedolion. Beth ydy eich gweledigaeth chi efo'r asiantaeth iaith? Ble ydym ni'n mynd? Sut mae hynny i gyd yn mynd i ddigwydd rŵan?</p>	<p>Sian Gwenllian: Just with regard to the Welsh language. I'm very pleased to see, of course, as part of the agreement with Plaid Cymru, that there will be additional funding towards specific projects—the national language agency and Welsh for adults. What's your vision with the language agency? Where are we going? How is that going to happen from now on?</p>
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10:30

[129] **Mark Drakeford:** Well, Chair, I probably have to say that I'm not the Minister directly responsible for it. I'd certainly not want to trespass on the ideas that he's developing. In the discussions we had with Plaid Cymru, we obviously took advice from those who are involved in the development of the centre. We came to a decision in the end that it would be better to have a single sum of money identified that could be used flexibly between our wish to accelerate the development of the centre and the work that it will carry out, alongside extra investment in Welsh for adults, but to allow us to accommodate the speed at which some of those things might develop, that we put a single sum of money that we could flex across both of those objectives.

[130] **Sian Gwenllian:** Achos wrth symud ymlaen, mae'n mynd i fod yn her fawr i ganfod arian i ddilyn y strategaeth 1 filiwn o siaradwyr.

Sian Gwenllian: Because in going forward, it is going to be a major challenge to find funding to pursue that strategy of 1 million Welsh speakers.

[131] **Mark Drakeford:** Wel, mae'r strategaeth yn her fawr inni. Dyna pam roeddem ni'n awyddus i roi'r arian ychwanegol yna. Mae'n rhan o'r uchelgais sydd gennym ni fel Llywodraeth i dyfu nifer y bobl sy'n gallu defnyddio'r iaith Gymraeg, a symud at yr 1 filiwn o bobl sy'n gallu defnyddio'r Gymraeg yn y dyfodol.

Mark Drakeford: Well, it's a very challenging strategy, of course. That's why we were eager to provide this additional funding. It is part of the ambition that we have as a Government to increase the number of people who are able to use the Welsh language and to move towards that 1 million Welsh speakers in the future.

[132] **Sian Gwenllian:** Ac a ydych chi'n cytuno, felly, dros y blynyddoedd nesaf, bydd rhaid gweld cynnydd yn yr arian sy'n mynd tuag at y Gymraeg? Os ydym ni am gyrraedd yr 1 filiwn o siaradwyr yma, mae arian y dilyn blaenoriaeth, onid yw?

Sian Gwenllian: And do you agree, therefore, that over the coming years we will have to see an increase in the funding that goes towards the Welsh language? If we do want to achieve that aim of 1 million Welsh speakers, then funding should follow the priority, shouldn't it?

[133] **Mark Drakeford:** Wel, wrth gwrs, rwy'n clywed beth y mae Sian yn ei ddweud. Nid wyf yn creu cyllid am fwy nag un flwyddyn ar hyn o bryd, ac fel rwy'n siŵr eich bod chi'n cydnabod, mae pob un sy'n dod drwy'r drws yn dweud wrthyf i,

Mark Drakeford: Well, of course, I hear what Sian says. I am not actually setting a budget for more than one year at the moment, and as I'm sure you will recognise, everyone who comes through the door tells me,

[134] 'Well, I've got to have more money for this.'

[135] Yn y diwedd, bydd rhaid i ni jest eistedd gyda'n gilydd a chreu rhyw fath o ffordd drwy'r blaenoriaethau sydd gennym ni. Ond,

Ultimately, we will have to just sit down and find some way through the priorities that we have. But, of course, I have heard the comments

wrth gwrs, rwy'n clywed beth mae'r that the Member made.
Aelod yn dweud.

[136] **Sian Gwenllian:** Ac wrth gwrs, **Sian Gwenllian:** And of course, the
ochr arall hynny ydy canfod arbedion other side of that is to find efficiency
effeithlonrwydd. Wedyn, mae hynny'n savings as well, and that's part of
rhan hefyd o'ch strategaeth chi i your strategy in going forward, isn't
symud ymlaen, onid yw? it?

[137] **Mark Drakeford:** Ydy. **Mark Drakeford:** Yes.

[138] **John Griffiths:** Thank you very much for that. Joyce.

[139] **Joyce Watson:** I want to really know about where the funding that is
available—limited as it is—has been used to maintain, particularly, the
impact not falling disproportionately towards protected groups. It is the case,
of course, that the Assembly has signed up to the equality impact
assessment in any case.

[140] **Mark Drakeford:** Thank you for that. I might ask colleagues if there's
anything they want to add to this. I don't want to make too much of this, but
I think it's a fair point for me to make, just to remind Members that the
budget in front of you today wasn't made in the normal circumstances, and
against the normal timetable that budget making would have here. Because
the normal timetable would start in about March, and work would go on—
you know, the early part could be March, April into May, and then by the time
you get to May, you're beginning to have a set of proposals that you can
discuss with Cabinet colleagues, which you refine over the summer. All of the
impact assessments that lie behind the budgets, and that are done at
departmental level, align with all of that. This year, because it was an election
year, that normal work didn't happen to that usual timetable. We had
elections in May, we didn't get a Government until June, we had a Brexit vote
on 23 June, which threw another enormous pebble into the pool of
uncertainty, so some of the—

[141] **Bethan Jenkins:** Pebbles are quite small. [*Laughter.*]

[142] **Mark Drakeford:** Okay, 'rock' I should have said. As I say, I don't want
to make too much of it, but I think it is fair for me to say that some of the
things that would normally underpin the budget have had to be done in
shorter order, in a more truncated timetable, than would normally be the

case. Nevertheless, it is a statutory obligation on all Ministers, including me as the local government Minister, to have secured the necessary impact assessments to make sure that we can be confident that the decisions that lie behind the budget do not have a disproportionately adverse effect on those groups in the population that we are particularly keen to protect. Given the fact that this is a no-cash-cuts budget for the first time in a long time, then, in some ways, those questions have been slightly easier to answer. But it remains a fundamentally important part of the budget-making process for me to make sure that, where there are protected groups and protected characteristics, we are signed up to investigating and satisfying ourselves, and then, hopefully, you as well, that the budget is aligned to those responsibilities. That's a very important part of the budget for me. And we've done it this year, albeit in a more truncated timetable than we would normally have had available to us.

[143] **Joyce Watson:** One of the timetables that are not truncated is capital allocations. We're talking about some rather major infrastructure projects and we've named a few this morning. So, in terms of looking at joining up agendas and also thinking around all of the elements that have been discussed this morning—participatory budgeting, equality impact assessments—how confident are you, Cabinet Secretary, that the public service boards will reflect those elements being properly considered in terms of driving agendas forward, and that they won't be, as has been the case very often, seats around the table for the same voices doing the same thing, for ever and a day, at the cost, very often, to those people who need those services the most?

[144] **Mark Drakeford:** Chair, I would just start by saying that one of the reasons why I was very keen to be able to lay a four-year capital budget, even when I couldn't do the same for revenue, was because making sound decisions on big projects and making sure that you've got the involvement of all the people you need to have in them—you don't do that on a one-year basis in capital; they really are projects that run over time. The fact that we've been able to offer a four-year budget has been very warmly and broadly welcomed, both in local government and also in partners in business and industry and construction and so on who need to be able to plan ahead in that way.

[145] We will work closely with the boards. We want to make sure that they are genuine engine rooms for securing the collaborative effort of all the partners who sit around that table, particularly when you have these large-

scale projects that cut across service boundaries and where the combined efforts of all those players are really important to them. In my job, you have to stay optimistic about the ability to make that happen, even, sometimes, when there is history that teaches you more cautionary lessons. When I speak to public service leaders, I get a strong sense that they want to make sure that the opportunity that the board provides is one that they grasp and they realise. It is part of the regional agenda, in the way that you heard: Cwm Taf is already a single public service board; Gwynedd and Ynys Môn meet together—they're not formally one board, but they only ever meet together and they do everything together in that way. So, I think there are some reasonable encouraging signs out there, but the warning that we learn from history about making sure that they remain purposeful and are genuine places where combined decisions are made, rather than views about how hard the world is, are shared amongst participants. It's a warning, very properly given.

[146] **John Griffiths:** Okay, thank you for that, Cabinet Secretary. Rhianon.

[147] **Rhianon Passmore:** Can I just pick up on that?

[148] **John Griffiths:** Yes.

[149] **Rhianon Passmore:** So, do you feel that there's a stronger role for Welsh Government in supporting and enabling public service boards?

[150] **Mark Drakeford:** Well, Chair, I think that's quite a big question about how I see the relationship between Welsh Government and local government in the future. I have a particular view of it, which is that the proper relationship is for the joint setting of important objectives that we agree need to be achieved, and we are very clear about those objectives, and we are very insistent about those objectives being achieved—the 'what' of the relationship. The 'how' of the relationship, I want Welsh Government to stand back from. I want us to respect the democratic mandate that local authorities have, the fact that they are close to the ground in ways that we are not. On how they go about it, I want greater freedom for local authorities to get on and do that job without us always worrying that if we're not standing on their shoulder, providing them with guidance and giving them tiny bits of budgets that we control from the centre, we can't trust them to do the job they're there to do. So, I want a different sort of relationship in which we are unambiguously clear about what it is that we are jointly engaged in achieving and then we allow local authorities the freedom to get on and make the

decisions they need to make to achieve those things.

[151] **John Griffiths:** Cabinet Secretary, thank you very much for your evidence to committee today. You will be sent a transcript to check for factual accuracy. Thank you very much for your attendance.

[152] **Mark Drakeford:** Thank you very much. Thank you for the questions.

10:42

Papurau i'w Nodi Papers to Note

[153] **John Griffiths:** The next item then is papers to note. Paper 2 is correspondence between me and Estyn regarding the post-legislative scrutiny work on the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015 and healthy relationships. Are you happy to note that? Paper 3 is correspondence between me and the Cabinet Secretary for Education on the same issues. Are you happy to note that also? Thank you very much.

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o Weddill y Cyfarfod

Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Remainder of the Meeting

Cynnig:

Motion:

bod y pwyllgor yn penderfynu that the committee resolves to gwahardd y cyhoedd o weddill y exclude the public from the cyfarfod yn unol â Rheol Sefydlog remainder of the meeting in 17.42(vi).

accordance with Standing Order 17.42(vi).

Cynigiwyd y cynnig.

Motion moved.

[154] **John Griffiths:** In that case, we move onto the motion to resolve to exclude the public under Standing Order 17.42(vi) from the remainder of the meeting, so that we may discuss the evidence we've heard from the Cabinet

Secretary for Finance and Local Government. Okay, thanks for that. We will move into private session.

Derbyniwyd y cynnig.

Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 10:43.

The public part of the meeting ended at 10:43.