



Our ref: RE/653/22

John Griffiths MS
Local Government and Housing Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

24 January 2022

Dear John,

Thank you for the opportunity to provide evidence to the Committee in respect of the 2022-23 Draft Budget. During my session on 12 January, I undertook to provide the following information:

A note on streams of grant funding and how the outcomes from the funding investments are evaluated

As I described during my evidence session, the revenue support grant forms part of the local government settlement which is un-hypothecated. Whilst the budget sets the overall amount of funding, the formula used to determine the distribution of funding across Wales uses a range of factors; such as population in specific age ranges and proxies for deprivation.

In addition to the unhypothecated Local Government Settlement the Welsh Government also makes use of specific revenue and capital hypothecated grants where this is appropriate, for example, grants to support homelessness services, housing support, Flying Start and many more. The relevant policy minister will set the objectives and any outcomes monitoring or evaluation required for these specific grants.

One specific example is steps that were taken during 2021-22 to counter the potential impact on vulnerable children caused by the pandemic which included an allocation of £5m on interactive, play-based initiatives. This included allocations of:

- £150k to the Arts Council of Wales for activities to run through the financial year;
- £300k to Sports Wales for activities to run through the financial year; and,
- £3.55m split between the 22 LAs to host a range of play, sporting and cultural activities for children and young people aged 0-25 between July and September.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The evaluation found:

- Over 67,500 children and young people were reached by the programme;
- Almost half of all providers offered family activities, alongside children and young person facing activities;
- Reach was better among younger age groups, with 70% of participants aged 5 to 11. Only 7% of participants were aged 16 to 25;
- Reach by ethnicity was in alignment with the national population, with 9% of programme participants being Black, Asian and Minority Ethnic;
- Across participants, 5% had additional learning needs (ALN) and disabled people accounted for 3%; and,
- 43% of Summer of Fun sessions were delivered with bilingual (Welsh and English) aspects and 11% of sessions were delivered solely in Welsh medium.

We have taken account of these findings in shaping the Winter of Wellbeing, which has seen us allocate £20m to support similar activities for children and young people aged 0-25 through until the end of the financial year. Using a wider range of providers, and working with schools, colleges, universities, museums, libraries, our heritage sector and more traditional play, youth and leisure services we should be able to spread the benefits further supporting recovery on a broader basis. That programme will also be subject to evaluation and we can think about how to take forward findings in our mainstream programmes such as the playworks holiday scheme.

A note on how objectives for local government are set and how delivery outcomes are evaluated against the objectives (an example was given during this line of questioning for social services and the Minister said she would ask the relevant Minister, however the Member was referring to local government generally)

Local Authority members are directly elected to oversee, scrutinise and steer the Council in its delivery of its statutory and non-statutory responsibilities and to respond to the wishes and ambitions of the people, communities and businesses in their area. As noted above the revenue support grant is un-hypothecated and does not have specific objectives set against it.

I write to local authorities alongside the settlement setting out the details of the settlement and, when appropriate, identifying areas of Government and mutual priorities for the coming year. Such areas of priority are not surprises to local government and are usually areas where discussions have been held at political or official level. This letter is published alongside the settlement and can be found for the current draft settlement at [2022-23 - LGS - Letter \(gov.wales\)](#). Relevant portfolio Ministers will work with local government and other partners on priorities which may receive funding through authorities use of the un-hypothecated revenue settlement, or through specific grant funding. Where specific grant funding there may be terms and conditions attached to the grant funding for specific outputs or outcomes, performance expectations and grant criteria. The range of specific grants is set out in draft as part of the documentation published at the time of the provisional settlement.

Local authorities fall under the requirements of the Wellbeing of Future Generations Act and are required to publish an annual report showing the progress they have made in meeting their objectives set under the Act. Additionally as part of the requirements of the Act the Welsh Government reports annually through the Wellbeing of Wales report. This considers progress against the 46 national indicators, which were set by Welsh Ministers in 2016 – local authorities are some of the bodies that support many of these outcomes.

Our Programme for Government sets out a number of commitments specifically related to local government, which we will be delivering over the course of this Senedd. Many of these are funded separately and will be outcomes reported on through the Programme for Government annual report.

- Seek to reform council tax to ensure a fairer system for all.
- Reform local government elections to reduce the democratic deficit.
- Expand our Access to Elected Office programme.
- Ensure that each region in Wales has effective and democratically accountable means of developing their future economies.
- Change the performance framework for local government to better enable innovation, transparency, and local ownership.
- Strengthen the autonomy and effectiveness of local government to make them more successful in delivering services.
- Reduce the administrative burden on local authorities.

Finally, in terms of such key services as education and social care, Local Authorities are subject to the inspection regime of Estyn and Care Inspectorate Wales as part of the assessment of delivery of services.

A note on the policy that sits alongside the £60million funding allocated for reform in the care sector

A new Social Care Reform fund of £45m has been created by the Minister for Health and Social Services and the Deputy Minister for Social Services. The fund will rise to £55m in 2023-24 and £60m in 2024-25. This allocation will increase the funding available to promote reform and improvement in social care, to complement the uplift provided in the Local Government settlement.

The funding will be used to support the reform set out following our 'Rebalancing Care and Support' White Paper, to improve delivery and increase the sustainability of services across the social care sector. The funding will be used to help deliver the Programme for Government commitments to reform social care for looked after children and to protect, rebuild and develop our services for vulnerable people

Through the Fund we will invest:

- £10m in 2022-23 in preparation to deliver our commitment to eliminate private profit from the care of looked after children during the next Senedd term; and,
- an additional £3m in Social Care Wales in 2022-23, to continue the expansion of the professional registration of the social care workforce and provide ongoing support for the stabilisation and recovery of the sector through delivery of the Health and Social Care Joint Workforce Strategy.

We will also invest in:

- the establishment of health and social care community hubs to contribute to the prevention and early intervention agenda;
- the ongoing work under the Chief Social Care Officer for Wales to take forward action complementary to the Race Equality Action Plan;
- further support for groups such as unpaid carers; and,
- Within the new £45m Social Care Reform fund in 2022-23 we will continue to support the provision of funding to enable unpaid carers to access respite care and the intervention fund for supporting child and family well-being to safely divert cases from child protection registration.

The new Social Care Reform fund is in addition to the £180m of funding provided within the Local Government settlement for the real living wage for care workers and to support the sector's pressures. The new funding is also in addition to the baseline funding for Social Care which will enable continued support to activity across the Social Care sector.

A note on the funding stream that will provide the £103million allocated to be spent on hygiene and ventilation in education settings due to the Covid pandemic, including clarity on whether this amount is new funding or if it's been redirected due to being underspent

I am able to confirm that this was new funding allocated to the Education and Welsh Language portfolio from reserves, which will be formalised as part of the second supplementary budget. £50m will be provided via local authorities through the Sustainable Communities for Learning programme. The funding will help schools carry out capital repair and improvement work, with a focus on health and safety measures, such as improving ventilation. The funding will also be used to support decarbonisation.

£45m of revenue funding will also help support school budgets, assisting schools as they continue to deal with the ongoing impacts of the pandemic and to prepare for the requirements of the new curriculum.

An additional £8m will be provided to further education colleges, to ensure learning can continue safely and ensure the most disadvantaged learners are not further impacted by the pandemic.

This funding recognises the challenges faced by schools and colleges during the pandemic. This funding will further support our schools and colleges to keep settings as Covid-secure as possible.

A note on the ambitions and objectives for the Chief Digital Officer role, for the forthcoming financial year

A [Welsh Local Government Digital strategy](#) was published last year, taking into consideration the Welsh Government Digital Strategy and the local authorities' digital strategies.

The strategy addresses the priorities identified by local authorities in Wales and sets out the work that the Local Government Chief Digital Officer and her team will undertake to support and help the wider sector to meet these priorities. It identifies three strategic core objectives: Human-centred design of services; Data; and Capability.

These will be delivered through providing support, guidance, training, communication, projects, collaboration and leadership. The financial year of 2022-23 will focus on the delivery of this strategy, with a new strategy drafted toward the end of this year for adoption from April 2023.

I look forward to receiving your report and recommendations in due course.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans." The signature is written in a cursive style with a clear, legible font.

Rebecca Evans AS/MS

Y Gweinidog Cyllid a Llywodraeth Leol

Minister for Finance and Local Government