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Consultation – summary of responses

Provisional Local Government Settlement 2015–2016

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Summary of Main Comments

NB The following reflect the respondents' views and interpretations as given in their responses.

Pembrokeshire County Council: Provisional Settlement Reduction of -4.2%

Transfers into the Settlement – Council feels that the opportunity must be taken by Welsh Government to transfer as many specific grants as possible into 2015-16 Settlement to allow local authorities greater flexibility in dealing with general grant reductions.

Top-slice – to fund specific projects or initiatives should be reviewed and the related resources released into the main settlement.

Overall comment – continued year on year settlement reductions will inevitably lead to a decrease in service levels and, in the worst case scenario, the cessation of services.

Ceredigion County Council: Provisional Settlement Reduction of -4.5%

AEF – Ceredigion feels that the decrease in AEF for 2015-16 is quite different from the indicative 2014-15 settlement forecast of -2.93%. The decrease in the past two years represents over 9% in cash reduction, equating to a real terms reduction of around 14%. Though Ceredigion considers that service reductions are inevitable, it will be a substantial challenge to minimise the impact on Council Services. The absence of indicative settlement figures for 2016-17 does not aid medium-term financial planning.

Funding Floor – the Minister's decision to include a floor for 2015-16 is welcome and softens the reduction for Ceredigion.

Transfers – acknowledged the transfer of specific grants into the RSG. However it had been hoped that even more grants would have been transferred in thus providing additional flexibility to Authorities. They felt that there are still too many specific grants outside the RSG.

Council Tax Reduction Scheme – Ceredigion noted the funding allocation for the CTRS remains the same and does not take into account an increase in Council Tax levels. They acknowledged it is for each Council to decide on increases, however based on the real term reduction in RSG, increases will inevitably have to be made. As evidenced in the Local Government Finance Report (No1), the Welsh Government expects Council Tax to increase. The Report provisionally shows an increase of 4.23% and therefore a corresponding reduction in the allocated RSG. The Council feel it would be reasonable and just, to expect a percentage increase in the sum allocated for the CTRS equivalent to the percentage increase assumed by the Welsh Government as indicated in the 'standard tax element' of the Report.

Protection for Schools – they noted that the need for Authorities to increase funding to schools remains for 2015-16, places extreme budgetary pressures on other services and the Council feel that the continuation of the schools protection needs to be reviewed for future years.

Intermediate Care Fund – disappointing that the funding is only running for one year. Ceredigion had hoped it would have remained for at least another two years so that the seed investment would help to reduce revenue costs in the longer term. The investment needs to be sustained for at least the medium term. Withdrawal of this grant comes at a time when there is extreme pressure on Social Services budgets and an increased demand for social care.

Other Specific Grants – noted the amalgamation of 11 education grants with the 'Education Improvement' grant however the actual sum of the grant is about 15% less than the combined total of the amalgamated grants. This is a significant reduction and will have an adverse impact on schools and the education services. It was noted that there had been substantial reductions in

other specific grants, eg. Supporting People, with a few no longer available in 2015-16. They noted however, that other grants, eg. Pupil Deprivation, had increased considerably.

Capital Settlement – noted that the General Capital Funding remained at same level as 2014-15 however the loss of the Local Government Borrowing Initiative for highway improvements will be missed. Its continuation would have enabled additional investment and further much needed improvement work to take place.

Council Tax – the Minister’s comment on funding challenges and burdens on households had been noted, however Authorities face substantial real term decreases in their AEF whilst trying to protect schools. The 2015-16 Council Tax therefore will inevitably need to be raised to minimise service reductions.

Other comments – Ceredigion feels that the Standard Spending Assessment methodology for distributing the RSG disadvantages rural Authorities. The higher cost of delivering services to rural and sparse areas in Wales is not addressed and there is an urgent need to review the distribution method. The Council acknowledges it is a difficult economic time for all and that funding reduction is inevitable, however it would be less of a burden for some if such a reduction was shared fairly across Welsh public services.

Rhondda Cynon Taf County Borough Council: Provisional Settlement Reduction of -3.7 %

General comments – Rhondda Cynon Taf are aware that nationally, all parts of the public sector are feeling the continued effects of the UK’s austerity measures. They are concerned however that health and wellbeing services will be compromised unless cross cutting health and social care funding is better provided for. The absence of indicative settlement levels beyond 2015-16 presents a forward planning challenge for the Council.

Funding floor – the Council feels the decision to provide a floor adjustment is an equitable approach and that due to funding uncertainty and volatility, formula changes should be kept to a minimum.

Grant Hypothecation – the Council has a continued request that outstanding specific grants details are provided as soon as possible. They also require urgent confirmation of their Outcome Agreement Grant allocation.

Torfaen County Borough Council: Provisional Settlement Reduction of -3.7%

General comment – Torfaen continues to try and recognise and also acknowledge the changed funding environment that the public sector and local government are operating in. They reiterate that is more important than ever for the Welsh Government and all parts of the public sector to work collaboratively and in partnership to support the most vulnerable. However, it seems that the official and to some extent the unofficial machinery is pushing WG and LG further apart.

AEF – the Council is disappointed at the overall cash reduction for 2015-16 and are frustrated that it is significantly worse than the indicative figure provided previously. They note it is the second year running this has occurred, and feel it will affect service and financial planning. Also, no forward indications have been provided for future years. They understand the uncertainty the Welsh Government is experiencing and feel that dialogue between local government and the Welsh Government is even more important. Torfaen fully recognises the Government’s efforts in the past to protect local government, but the protection received has been relative and authorities have had to make difficult choices and savings. Torfaen find it difficult to accept protection of health at the expense of local government and feel that the budget and settlement fails to recognise the contribution that social care plays in addressing health needs of communities.

Schools Protection – though they recognise the extra resource for schools and will honour the required protection, any sort of protection causes challenges and choices for other service areas.

Funding Floor – despite there remaining a notable distributional range across Wales, Torfaen supports the floor mechanism.

Specific Grants – Torfaen acknowledges and welcomes that more grant information has been provided this year and hope that it will continue. They would also like individual local authority grant allocations to be included and believe it is imperative full grant information is received as early as possible as much of it underpins core services and employment. They noted the Outcome Agreement grant had not been included and hope it is only a timing issue as any changes will have a significant affect on overall funding levels and services.

Council Tax – Torfaen are pleased that Council Tax level increases remain a matter for local policy choice but expect Council Tax levels to rise.

Transfers – the Council feel that there is a lot of bureaucracy to deliver schemes and in times of reduced funding, then clarity, consistency and transparency is needed to further reduce the burden. They hope that transferring grants into the settlement continues with even more ambition and pace so that authorities can be free of regulation and bureaucracy.

Monmouthshire County Council: Provisional Settlement Reduction of -4.3%

General comment – the provisional settlement is a matter of concern following last year's difficult settlement with the prospect of still difficult times to come especially for Monmouthshire. The Council is conscious of household finances and are doing their utmost to deliver balanced budgets but there will be an inevitable pressure to raise Council Tax.

Funding floor – though they are protected by the floor, this settlement has done nothing to alleviate Monmouthshire's position as the worst funded Council in Wales per head of population. Looking ahead, the prospect of continuing to receive one of the worst settlements in Wales will have an extreme effect on key services.

Protection for schools – the Council notes the need to afford protection to the education budgets and the reduction in education grants, however there is a need to balance protection requirements against the increased pressures on other local services along with growing demands to protect existing assets and rising inflation levels.

Specific Grants – Monmouthshire supports and encourages the transfer of grants into the settlement but are disappointed more progress has not been made and note that yet again the settlement is unaccompanied by information on many specific grants - this is unhelpful for financial and service planning.

Capital Settlement – is still a serious concern especially at a time when Councils are struggling to raise capital receipts from asset sales. No indicative capital settlements have been published which is not helpful for service and financial planning. Investment in priority areas, eg. 21st Century Schools and Waste Management remains high therefore the support of the Welsh Government is a critical success factor.

Overall comment – though they understand the reasons for the low settlement, Monmouthshire still feels it is difficult to reconcile this with the increasing expectations and growing demands on local services. The Welsh Government should recognise the difficult decisions required and support authorities whilst not promoting undeliverable policy expectations. Monmouthshire states it is a time for all to work together to minimise the downturn in public finances on the most vulnerable in society and to ensure the public that Councils and the Welsh Government exist to serve.

Wrexham County Council: Provisional Settlement Reduction of -2.9%

AEF – Wrexham recognises the Welsh Government's difficulty in managing the impact of the UK Government cuts however they are disappointed that the sensible balance between Local Government and Health budgets has not been maintained. They feel that this settlement disproportionately impacts on the Council's local services.

School Protection – continuation of this commitment should be reviewed given the major knock-on impact it is having on other services.

Specific Grants – more grant information is essential to enable the integrated planning of services. Amalgamating education grants is beneficial for management and administration, however, the Welsh Government should ensure that the associated grant terms and conditions are not unnecessarily prescriptive. There is concern over the shrinking overall resources available where grants are being reduced rather than transferred into the settlement.

Social Services – the additional £10m included in the settlement must continue and should increase to help reduce pressures on the health budget. The current settlement level doesn't recognise the rising demands and increases in complexity in Adult and Children's Social Care.

Integrated Family Support Service – Wrexham supports the transfer into the settlement and the move to an existing formula from 2017-18. They are concerned that the distribution of funding for the next two financial years, on a regional basis, does not work in North Wales where regional projects are on a paired rather than a six Authority basis. The result is that the funding for the successful pilot is being significantly reduced and suggest the 2015-16 funding is maintained at sub regional project level.

Regional Collaboration Fund – Wrexham feels it is extremely short sighted to end a number of Social Services projects that are still in their infancy on the basis that an additional £10m has been included in the settlement.

Intermediate Care Fund – Wrexham notes the ICF funding will cease and the £10m is included in the overall settlement. Providing the funding for one year and then cutting it does not enable Health and Local Authorities to implement sustainable schemes which eases pressure on hospital beds and also the continued progress on delayed discharges.

Council Tax – Wrexham are keen for the Welsh Government to provide adequate resources to enable Council Tax to be kept reasonably low and that sufficient resources should be provided to Councils so that the approach is closer to that of England. This is particularly important to Authorities bordering England as the public cannot understand why incentives to keep council tax low in England are not passed on to Authorities in Wales.

New responsibilities – it is essential that these are fully funded within the settlement. Sound evidence should be provided by the Welsh Government on the basis of any new funding linked to legislation.

Capital Settlement – given the infrastructure projects planned, the reduction and overall low level of capital resources is a major concern for Wrexham.

Student Finance Administration – the amount removed from the settlement is more than current costs within Local Government and so represents added pressure on Lifelong Learning Department budgets.

Council Tax Reduction Scheme – the continued financial support for this scheme is positive but feel that 2015-16 resources should be increased rather than continued at the 2014-15 level.

Forward planning – the Welsh Government must consider providing the settlement earlier and provide clear forecasts to aid medium term financial planning.

Vale of Glamorgan Council: Provisional Settlement Reduction of -3.4%

AEF – the quoted reduction in AEF of 3.4% in cash terms translates to a 3.5% reduction when considering the full impact of the Local Government Borrowing Initiative for 21st Century Schools. The Council appreciates the difficulties experienced by the Welsh Government in managing its overall financial position however they are disappointed funding is being diverted as a priority to Health. Due to this, their funding in 2015-16 has decreased considerably from the indicative forecast of minus 1.64%. This places them in a difficult position and the introduction of new legislation (eg. Social Services and Well-Being Act and the Housing Act) are also likely to increase the financial burden.

Grants – Vale of Glamorgan considers it would be more helpful if complete information for all grants was provided at a local level. They continue to stress the importance of greater funding flexibility through the unhypothecated transfer of grants to the RSG. The Council will shortly be reviewing all service delivery and will be making difficult decisions. The freedom to allocate decreasing resources through the relaxation of the grant regime will be essential in achieving this.

Caerphilly County Borough Council: Provisional Settlement Reduction of -3.4%

AEF – Caerphilly is disappointed it will experience a 3.4% reduction for 2015-16 when the indicative figure provided previously was 1.34%. The authority appreciates it was advised in June to plan for cuts up to 4.5% however the relatively short timescale to plan for this scale of savings is unsatisfactory. It presents significant challenges for the next financial year and for medium to long term planning. This has not been helped by the omission of future indicative settlement figures.

The poor outlook will impact on unprotected services and in addition to the cash reduction, further savings will be required to fund pay and non-pay inflation and demand pressures. They emphasise that 43% of the 'net controllable budget' is for social services which will experience significant increases in demand due to shifting demographics.

Specific Grants – the reduction of some grants presents additional financial challenges and the cut in the Supporting People budget along with Education grant reductions is a concern.

Outcome Agreement Grant – it is a concern that individual Authority figures have not been provided as in previous years. This provides uncertainty and is unhelpful when a range of saving proposals has to be developed in a short timescale.

General comment – Caerphilly has recently updated their Medium Term Financial Plan for the next three years and an estimated saving of £39m needs to be made. Though every effort will be made to protect front-line services, inevitably savings of this enormity will impact on the quality and range of services the Council will be able to provide.

Blaenau Gwent County Borough Council: Provisional Settlement Reduction of -2.8%

Overall position – the Council notes that it has not been possible to forecast beyond 2015-16 but believes there is scope for the Welsh Government and Local Government to work together to produce planning assumptions beyond those years, particularly around the overall direction of schools and social services which are the largest areas of spend.

Education Protection – it would be useful to discuss outcomes that have arisen from the 1% schools protection and the potential impact if it continued beyond 2015-16.

Social Services – the recognition is noted. Blaenau Gwent also considers that analysis of the impact of demographic trends on these services could be incorporated into the above mentioned discussion.

Specific Grants / transfers – the Council welcomes £13.5m being transferred into the RSG and would be interested to see the full list of the £160m transferred during this Assembly term, which clearly demonstrates Welsh Government's commitment to dehypothecation. Confirmation of further grant details is vital for early planning of their services.

Council Tax Reduction Scheme – the Council notes the overall level of support has remained the same for 2015 -16 and that a recovering economy should over time, allow for a reduction in support to claimants.

Community engagement – Blaenau Gwent's approach regarding community engagement has been developed considerably for the 2015-16 budget setting process. They have developed a three phase process which covers the sharing of information on current and future spend, the seeking of views on saving proposals and keeping the community informed of the decisions made.

Invest to Save Fund – the decision to continue investment support for transformational projects is welcomed.

Flintshire County Council: Provisional Settlement Reduction of -3.4%

Overall – Flintshire recognises the immediate funding pressures across public services that the Welsh Government has to balance and accept it would be unrealistic to expect significant changes between the provisional and final settlement. Though the 2015-16 budget position is extremely challenging for all, the spotlight now needs to be on funding for 2016-17 given the uncertainty of future resources and limitations on planning ahead.

Specific Grants – the secondary impact of specific grant reductions for core services adds to the impact of major RSG reductions. The Welsh Government needs to be aware of fundamental business planning reviews which will change and in some cases, reduce and pose risks to local public services. The review and reform of grants needs to be more ambitious and accelerated.

Medium and longer term – the levels of RSG reductions in 2014-15 and proposals for 2015-16 are not sustainable in the medium to long term. Local government should have sufficient level of surety to be able to plan ahead with some measure of certainty at least in the medium term. They state that Councils are likely to need access to national resources to fund change and ongoing workforce reductions and for some Councils, dwindling reserves may not be adequate to meet these costs. There should be an urgent discussion over funding and capitalisation needs.

Legislation and NDR – the affordability of Welsh Government policy priorities and services should be included to safeguard against a mismatch between ambition and resources. More local flexibility and freedoms in funding resources should be explored and as a result of increasing devolution. NDR share retention by local authorities, as part of taxation review and reform, should be a priority.

City of Cardiff Council: Provisional Settlement Reduction of -2.9%

Overall – Cardiff expressed that they are disappointed in its Provisional Revenue and Capital Settlements. The Council is the largest and fastest growing in Wales and this together with the projected 20 year growth rates, makes Cardiff feel that its unique position is not recognised within the settlement. Cardiff feels it is unable to access the required investment in transport and infrastructure, and that the Settlement funding does not effectively recognise Cardiff's heritage assets and programme of cultural and sporting events and the associated financial pressures.

AEF and damping – Cardiff's AEF per capita is the 21st lowest out of the 22 councils and 11.6% below the Welsh average. The Council notes it has a lower than average settlement decrease a result of data changes, however, it has contributed £316,000 towards the damping mechanism which benefits Councils who have more opportunity to reshape their services. That means other Councils face lesser financial pressures and Cardiff asks for this to be considered as part of the Final Settlement.

Local Government Borrowing Initiative 21st Century Schools – the treatment of this funding has understated the percentage reduction level for local government. Cardiff's transfer of £352,000 into the RSG equates to the 2014-15 specific grant allocation. For 2015-16, their allocation increased from £452,000 to £804,000 and although it is identified within the settlement, it is not additional funding as first thought and is clearly intended to come from within the overall quantum.

Schools Protection – though improving the outcomes and performance of schools remains a key objective, the lack of flexibility to deploy resources between these and other Council services has become a significant constraint.

Specific Grants – Cardiff comment it is unable to extract a definitive view of the impact of the specific grants distribution and note that the percentage decrease between 2014-15 and 2015-16 is 8.8%. It also notes that some grants where further detail is required, notably the Outcome Agreement Grant.

Indicative funding – Cardiff is concerned at the continued lack of longer term indications provided find it harder for local government to plan ahead and set sustainable financial strategies. Its budget proposals show the impact this settlement will have on discretionary services which will result in their significant reduction and the curtailment of statutory services. Cardiff will continue to work with citizens and partners to reduce the impact but a £48 million budget gap is a matter of extreme concern.

Bridgend County Council: Provisional Settlement Reduction of -3.4%

Overall – the Council recognises that the Welsh Government has had to make difficult choices within its own budget but is disappointed that the local government funding reduction is considerably higher than the reduction in the overall Welsh budget for 2015-16. This will mean further service and job cuts in 2015-16 on top of those that have occurred in 2014-15.

Specific Grants – Bridgend welcomes the transfer of specific grants into the Settlement and hope that there will be significantly more in the future. They feel however, that the reduction in some grants, eg. Supporting People, will have a negative impact on services and although they welcome the 11 education grants combining into one grant, the overall reduced amount will create difficulties for 2015-16. Bridgend requests receipt of individual allocations for other specific grants as any reductions may necessitate redundancies which will require statutory notices to be given.

Indicative Settlement – though the Council has been preparing for this difficult settlement since April 2014, it was disappointed it was not given provisional figures until October. It notes that the 2015-16 indicative figures provided in the last Final Settlement Report were much higher and this makes financial and service planning extremely difficult.

Social Services – though the additional funding is welcomed this appears to be offset by a cut to the Intermediate Care Fund. This funding, along with the schools protection, has come from End of Year Flexibility rather than the Welsh Government's base budget which it feels raises questions about sustainability of additional funding in future years.

Floor Funding – the Council is disappointed that £139,000 of its settlement was diverted to fund a damping mechanism.

Council Tax – the Council assures the Welsh Government that it takes account of all income streams when facing funding challenges. In order to strike an appropriate balance between financial needs and the burden on households, the Council's Cabinet will be recommending a 4.8% increase in 2015-16 council tax.

Neath Port Talbot County Borough Council: Provisional Settlement Reduction of -2.4%

Overall – Neath Port Talbot appreciates that the Welsh Government has had to make some difficult decisions as a consequence of National Government funding reductions. It notes that neither the Draft Budget nor the Provisional Settlement provided indicative figures for 2016-17 and find it very disappointing given that businesses and local authorities need to prepare medium term financial plans covering three years. The Council appreciates the Provisional Settlement provides a slight improvement on the warning of 4.5% June and a better than average settlement for Neath Port Talbot.

Education – the Council welcomes the increased funding via the Pupil Deprivation Grant for 2015-16 and 2016-17.

General Capital Funding – it is supportive that the GCF allocation has been maintained at £142.8m as this will allow Councils to invest in community infrastructure and support their local communities and economies.

Specific Grants – the current position is of concern with in-year cuts in Education and Concessionary Fares Administration, which will have an adverse impact on services and contracts of employment. It is critical that the individual local authority grant allocations are confirmed prior to the new financial year. At Provisional stage, 12 grants are unconfirmed. The amalgamation of 11 Education grants is welcomed as it will reduce bureaucracy, audit and administration costs, however the 14% reduction will have an adverse impact on outcomes. The Supporting People grant reduction will affect the most vulnerable in society.

Intermediate Care Fund – Neath Port Talbot, along with other Councils and the ABMU Health Authority, have been developing new working practices and services therefore the withdrawal of this one-off grant for 2014-15 and replacing it with £10m in the main settlement, will impact on Health and Social Services.

Outcome Agreement Grant – it is critical the local authority allocations, together with any change in grant rules, are confirmed in the Final Settlement. The continuing cuts in specific grants together with late announcements/in-year cuts by the Welsh Government only exacerbates the Council's need to save £19m in its 2015-16 budget and some £50m over the next three years.

Carmarthenshire County Council: Provisional Settlement Reduction of -3.3%

Overall Settlement – Carmarthenshire fully recognises the settlement has been made against a backdrop of difficult and demanding times in the public sector due to reduced public spending by the UK Government. However, this is the third year in a row that the indicative settlement has been revised downwards which makes it extremely difficult to plan ahead financially and there is not an appropriate lead-in time for managed service reductions or changes.

Specific grants – delays in confirming grant allocations and the abandonment of the three-year indicative settlement is very unhelpful. This will make effective service and financial planning unclear.

AEF – Carmarthenshire's AEF reduction of 3.3% equates to 7.5% when coupled with price and pay inflation and other cost pressures, protection for education and the inability to change some other costs such as capital financing charges. No indicative figures have been provided after 2015-16

and as the similar levels of reductions are likely to continue then the availability of funding for local services beyond education and social services will continue to shrink.

The reduction in AEF is compounded by the specific grant reductions and impacts on specific service areas such as supporting people, education and waste management.

Capital Funding – This has changed little from previous figures and the Council notes that yet again, there are no indicative figures for 2016-17 and beyond. Revenue budgets have limited scope to fund unsupported borrowing and capital spend will actually be curtailed in areas that have the potential to boost economic growth.

Council Tax – the Council are encouraged by the lack of any reference to capping alongside the provisional settlement announcement and hope this carries through to the final settlement.

Welsh Local Government Association

General – Local Government in Wales continues to bear the heaviest burden of austerity cuts. Welsh Government has decided to recalibrate public service allocations and divert more funding into health services based on the Nuffield Trust report. The average RSG cut of -3.4% and a further 8.8% cash reduction to known specific grants, matches the scenario of cuts as low as -4.5% as warned by the Minister's predecessor. The Welsh Government's financial planning approach has been deeply unsatisfactory, inconsistent, fragmented and questions the rationale in providing indicative figures which vary so widely.

The local government workforce was reduced by 3,000 last year and this financial year early indications suggest this will be 5,000. In contrast, the Welsh Government workforce rose by 391 to 5,777 in two years.

The demographic, financial, price and pay pressures are well documented for health also apply equally to local government. The pressures on social services and local preventative services are well documented. WLGA disputes the idea that reorganisation will provide the whole answer to this.

Education and Social Services – account for over 65% of local government spend. Protection around any part of them will have ramifications for the rest of local government services. Inflexibility resulting from the protection of schools, increases in social services costs and inability to change some other costs such as capital financing charges mean that reductions required from other services are much greater than the average -3.4% AEF reduction.

WLGA welcomed the additional education and social services funding however there has been confusion for those planning services as to whether they are funded from Welsh Government reserves. In addition, the £10m for social care has to be balanced with the £50m cut to the Intermediate Care Fund.

Floor funding and formula – the floor mechanism is welcomed by authorities who will benefit from it, though they will still face significant issues in dealing with a 4.5% reduction. WLGA comment that many see the formula as outdated and in need of a fundamental review and consider that work should commence on this so that a future funding framework is fit for purpose for voluntary mergers by 2018, or certainly by 2020.

Specific grants – the AEF reduction is compounded by the reductions in specific grants and the loss in the Supporting People grant will impact significantly on this valued service. WLGA welcomed the rationalisation of 11 education grants into one though the £24m reduction will cause significant problems for school budgets. Councils will be more reticent to continue to incur expenditure on grant funded schemes without a grant offer letter given the decision to reduce some education grants in 2014-15. WLGA continues its plea for flexibility by transferring grants into the settlement to ensure best use of public funding and progress on this is frustratingly slow.

Indicative settlement – WLGA note that for the third year in a row the indicative settlement has reduced significantly, making financial planning almost impossible. They also note the Welsh Government draft budget and the Local Government Settlement, did not contain any detailed indicative funding levels beyond 2015-16.

WLGA state there is a need for a proper debate on the funding of local services otherwise austerity will create generational damage across Wales. Financial issues affecting local government will impact on the range and quality of the services as well as consequent effects on other parts of the public sector. There is a need to redefine the role of local government services.

Mid and West Wales Fire and Rescue Authority

The Mid and West Wales Fire and Rescue Authority has taken the opportunity to respond to the settlement consultation but has also included a lengthy letter regarding CIFPA stats. The points raised in respect of the settlement are:

- The Authority understands the wish of the Welsh Government to protect healthcare in Wales, however the decision to do this has the utmost significance of funding for local authorities and Fire and Rescue Authorities.
- The Fire and Rescue Authorities have shown that levels of expenditure can be reduced whilst still maintaining delivery standards and achieving improvements. This has been done by carrying out a fundamental review of their services.
- Lessons are to be learnt particularly regarding the benefits of greater emphasis on preventative measures. Meeting the demands of Welsh healthcare with more funding is not sustainable and a review of health should be carried out urgently with a more proactive philosophy for the future. The Authority would be happy to positively contribute to such a directional change.

Neath Port Talbot Schools Forum

The Forum Committee Chair has serious concerns about the continued funding reductions and 'claw-back' from other funding streams. The difficult financial climate is acknowledged but targeting funding that has a direct impact on classroom practice such as the School Effectiveness Grant will have a detrimental effect on pupils' outcomes and well-being. Many schools across Neath Port Talbot are leading good practice and the ability to innovate has been facilitated by targeted funding. However, over the last two years innovative spend has been restricted. The additional PDG funding will be eroded by cuts elsewhere. The Forum urges you to prioritise finite resources to the front-line.