

Y Pwyllgor Cyllid

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Cyllideb Ddrafft 2011-12 – Tystiolaeth gan Gymdeithas Llywodraeth Leol Cymru

Ymghlwm fel atodiadau i'r papur hon ceir nodyn brîffio gan Gymdeithas Llywodraeth Leol Cymru ac adroddiad yr Is Grŵp ar Wariant.

Gwasanaeth y Pwyllgorau

WLGA Briefing

Expenditure Sub-Group report Update Briefing for NAFW Finance Committee



22 November 2010

Current Financial pressures

Capital

The 25% reduction in Welsh capital funding in 2011/12 is one of the most severe in the spending review and the most significant of the devolved administrations. Capital expenditure in local authorities is two thirds funded by WAG and the potential impact of a 14% reduction cannot be under-estimated.

The needs for capital investment are stark and real:

- Standards of existing assets falling (school buildings / roads)
- New requirements are increasing rapidly
- There is a potential infrastructure gap in Wales of £14.725bn in excess of the £1.7b that are spent across the Welsh public service

Local authorities are working hard to make the limited capital investment go further but this could be strengthened by:

- Bring together different funding streams into a single capital pot, subject to local accountability and local investment appraisal and management;
- Remove ring-fencing from funding streams to allow more flexibility to finance capital
- Protect councils' flexibilities over prudential borrowing:
- Give councils more ability to raise new revenue streams to support borrowing e.g. tax increment financing
- Develop innovative models of structural funds e.g. JESSICA
- Create a culture where alternative delivery models e.g. Public Private Partnerships (PPPs) can be proactively considered

Local Government is beginning to hear complaints from the private sector about the effect that poor infrastructure has on businesses – the Association of Road Haulage estimates that the state of the roads costs business £4.1b per annum.

The scales of the challenge in 2011/12 is unprecedented – how you manage that reduction without incurring significant sunk costs is difficult to envisage. The targeting of grants is not an easy answer either.

Since 2004 councils have been able to use “unsupported”¹ borrowing to finance spending. This has typically enabled spend to save projects that have delivered the efficiencies councils have reported over the last years. With more limited capital resources it is essential councils have the maximum flexibility to use investments to best effect.

Children’s Social Services

Residential placements are the most volatile area of children’s social services budgeting – a single placement can amount to £200,000 each year.

The costs of residential placements and foster placements are again causing significant budget pressures for Councils across Wales in the current financial year - a sample of 8 Councils have reported projected overspends ranging between 20% and 50% (totalling £5.8m) on these services in 2010-11.

WLGA/local government is hugely concerned at the increased demand and costs in residential and foster placements that have been experienced over recent years, particularly in light of the current budget reductions.

The need to meet the costs of current pressures means that it is becoming more difficult for Councils to continue their investment in the preventative family support services that will reduce the demand for child protection in the future.

Councils across Wales are working together to develop service models that are lower cost so that more funding is spent on providing direct support for vulnerable children.

Failure to maintain and further invest in children’s social services will result in longer term demands on the welfare system, lead to more young people failing to achieve their full potential and potentially find their way into the criminal justice system and the consequent costs to the public sector across the board.

Adult Social Services

The interdependence between all the different parts of the public sector should not be underestimated - for example under funding social services leads to increased pressure on NHS services.

Welsh Ministers have already signalled their intention to protect health service budgets when WAG sets its draft Budget on 17 November, but no such assurance has been given to councils despite social service budgets already being under severe pressure.

¹ “Unsupported” borrowing is also known as “prudential” borrowing.

There is a real danger that cuts in council budgets will force them to reduce services for the elderly and the vulnerable. A reduction in these services will quickly lead to additional demands on the NHS and other council services and other agencies.

Adding to the demographic pressure on the costs of residential placements, a reduction in interest rates on savings means that the more elderly people are finding that their income falls below the threshold for the council to meet the part or all of the costs of their care.

The Expenditure Sub Group (ESG) report identified pressures totalling £170 million each year.

Key pressures in the current financial year identified in a recent survey of councils are:

- Elderly residential care home fees
- Domiciliary Care costs for the elderly
- Mental Health residential care fees
- Learning Disability / Community Care budgets – increase in demand in transition from children's to adult services
- Continuing Health Care continues to be an issue

Local authorities are finding various ways in which to help mitigate these pressures including various initiatives underway with Health:

- Gwent Frailty programme – and all its work streams
- Occupational Therapy integration
- Mental Health / Learning Disability integration

Road Condition - Potholes

The Local Roads Maintenance Grant from WAG to LAs was reduced from £15m to £5m this year, although an additional £2.75m was then allocated by WAG to assist with road repairs following the severe winter (the £2.75m was what WAG allocated after £100m had been allocated for this purpose by the UK government; authorities in Wales queried whether highways had received their 'fair share').

It is estimated that total number of potholes increased by 30-40% as a result of last winter.

In 2009/10 some 92,000 potholes were filled in Wales - at an average cost of £65 per pothole this would equate to around £6m of expenditure (other spend from the LRMG in 2009/10 will have been on resurfacing rather than pothole repairs and is a better long term solution). Assuming spend on potholes increased roughly in proportion with the increase in number of potholes, a 40% increase would suggest £2.4m additional spend. However, to put this into perspective:-

- The cost of the overall roads maintenance backlog (allowing for an 8% defect rate at any one time) has been estimated at £140m by the SCANNER survey and
- The Asphalt Industry Alliance estimates the total cost of bringing roads in Wales to an acceptable state to be around £750m.

Claims from motorists for damage caused by potholes were estimated at £53m for England and Wales in 2008

Salt

In response to the experience last winter authorities have increased their levels of stocks going into this winter. In recent years, pre-season stock levels were around 130,000t but these are now planned to be closer to 180,000t.

Even at last year's price of c£30 a tonne the increased stock holding represents an additional cost of £1.5m. However, some of the increased stocks (c 9,000t) are planned to come from imports at nearer £60 a tonne – so the restocking will cost closer to £1.8m.

The cost of UK supplied salt has increased as suppliers are working 24/7 and have had to invest in additional equipment. A £5 per tonne increase in the cost of domestic salt (i.e. 171,000t) would put a further £855K on the overall cost of the salt stocks.

In addition, some authorities have invested capital in increased storage capacity, extending barns etc.

Planning

Continues to suffer from reduced fee income and drying up of S106 opportunities (which, in any case, are clouded by uncertainty surrounding the Community Infrastructure Levy).

Energy

The decision this year to enable local authorities to sell renewable electricity they generate to the grid opens up a new financial opportunity but authorities need the funds to invest in the first place to take advantage of this potential income stream.



EXPENDITURE SUB GROUP 2010

FINAL REPORT
30 June 2010



WLGA • CLILC

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1. For the next few years at least the UK public sector faces the prospect of a sustained period of significant budget cuts. Local government plays a pivotal role within the Welsh public sector delivering many vital local services as well as supporting the Welsh Assembly Government's delivery of its strategic objectives, "One Wales" and "Time to Lead" commitments.
2. The interdependence between local and central government extends to other public bodies (eg the NHS) and highlights the need for all public bodies to work together to mitigate the worst effects of the funding cuts ahead. Public services are facing many of the same challenges, including reduced funding, demographic growth and increasing citizen expectations. Services cannot respond to these challenges in isolation and there is a danger that if not carefully managed cuts in one service will unintentionally damage another. Examples include:
 - Underfunding of social services increases pressure on NHS; and
 - Inadequate housing and homelessness puts pressure on a range of services, including the NHS, social services and the justice system.
3. Local authorities understand the scale of the problem and are planning and preparing for challenging times. Actions include tactical measures such as recruitment freezes, operational efficiency measures (eg asset rationalisation and smarter procurement) as well as longer term more ambitious transformational changes. The pace and scale of collaboration is also increasing and local government is leading six of the seven work streams of the new Efficiency and Innovation Board. The Regional Collaboration Compendium attached to this report outlines seventy separate projects currently underway. The list is not exhaustive, but highlights a range of projects from joint appointments to collaborative commissioning of social care services and integration with the NHS.
4. The 2010 ESG Report builds on last year's report and has been co-produced by local government and Welsh Assembly Government officers. It is not a shopping list rather it is an evidence based presentation of the key pressures priorities and opportunities that are vital to inform the Assembly Government's budget setting process for the next spending review period. Against that background the report provides:
 - a thorough evaluation of the range of pressures that local government will face in 2011-12 and beyond;
 - a shared understanding of the funding outlook and the impact that has on the delivery of local government services;
 - an honest and open dialogue between the Assembly Government and local government to identify priorities and pressures;
 - a recognition of the work being done and the opportunities being pursued in order to deliver the necessary savings; and
 - the risks to the delivery of core services and the potential that national and local priorities will not be delivered.

Key Financial and Operational Risks

5. Although the UK is no longer in recession the effects are still being felt by councils through increased demand for services, reduced income and capital receipts and pressure to keep council tax increases to a minimum. These factors continue to impact on the financial health of councils as a third of their income comes from these sources. This is an important issue, which needs to be taken into account when considering the impact of cuts to funding they receive from central government.
6. Pay and price pressures in local government are estimated to be £135.6 million in 2011-12, including increased pension costs and single status increments and taking account of an expected pay freeze for the majority of local government employees. Like other parts of the public sector the local government pay bill represents more than fifty per cent of the annual gross expenditure (£3.4 billion per annum). As such some council job losses will be inevitable with 3,000 already announced over the next three years and more expected. Local government believes that there should be parity on pay and workforce issues within the public sector in Wales to ensure that there are not disproportionate job losses in any one area.
7. Capital expenditure is an area of extreme concern to local government. A reduction in land values and capital receipts combined with reduced central government capital funding will have a severe impact on the ability of councils to maintain their assets, invest in new assets (eg schools and affordable housing) or invest in transformational change. Though councils have the power to borrow for capital purposes and are doing so, reducing revenue budgets are likely to constrain their ability to increase borrowing significantly.
8. Key financial and operational risks for each service area, include:

Education

- The funding and attainment gap (recognised in "Time to Lead");
- Low educational attainment of children in care;
- Numbers of people not in employment, education or training;
- Implementation of the Foundation Phase; and
- Surplus places and the 21st Century Schools programme.

Social Services

- Pressures totalling around £170 million per annum;
- Demographic growth, increased citizen expectations, complex family structures and numbers of people with complex needs;
- Rising rate of Looked after Children and rising children referrals;
- Price and residential care home fee inflation;
- Increasing cost and complexity of adult social care packages; and
- Workforce pressures: skills and capacity.

Waste, Flood and Water

- Continued investment in waste services and infrastructure necessary to meet targets, avoid increasing landfill taxes and infraction fines;
- Annual revenue funding gap for residual waste solutions;
- The cost of meeting new Flood and Water Act requirements;
- Investment in flood defences; and
- The cost of implementing Pennington Report recommendations.

Strategic Housing

- Supply of affordable homes;
- Housing quality and sustainability;
- Homelessness; and
- Support the needs of vulnerable people to live independently.

Community Safety and Fire

- Preventative work suffers as resources directed at reactive interventions, risking increased re-offending, more fires;
- Partners' focus on their organisation's priorities, making community safety partnerships more vulnerable;
- Current reliance on specific grant streams;
- Retained Duty System Firefighters' part-time employee status; and
- Lack of capital funding to make fire stations fit for the 21st Century.

Transport

- Dependency on oil/carbon dependent modes of transport;
- Investment in more sustainable modes of travel to meet carbon reduction targets;
- Investment in roads and bridges maintenance; and
- Dealing with increased winter maintenance and floods.

Economic Regeneration

- Regeneration spending likely to come under pressure as non-statutory, but critical to local economies;
- Opportunities to use EU Funding need to be maximised; and
- Investment in renewable energy and the wider 'green economy'.

Conclusion

9. There is no question that the next few years are going to be extremely difficult for public services. Welsh local government is poised for the enormous challenges ahead, but as a minimum it needs maximum flexibility to manage its capital and revenue resources economically, effectively and efficiently for the benefits of its citizens. A reduction in ring-fencing, regulation and inspection would go some way to achieve this. Local government wants to work as an equal partner with the

Welsh Assembly Government and other public services to mitigate the impact of the budget cuts, recognising that we have shared values and objectives.

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Local Government Financial Context

1. There are three million citizens living in Wales – 570,000 are under sixteen, 630,000 are retired and 1.8 million are of working age¹. They are served by twenty two local authorities and three fire authorities, which between them provide a wide range of statutory and non statutory services – many of which feature prominently in the One Wales agreement. In expenditure terms the principal areas are education, social services, waste management and housing support.
2. Local authorities receive revenue funding from a number of sources including central government grant, business rates, council tax and income they generate themselves (see chart 1). The central government funding they receive represents around thirty per cent of the Welsh Assembly Government annual budget (see chart 2).

Chart 1

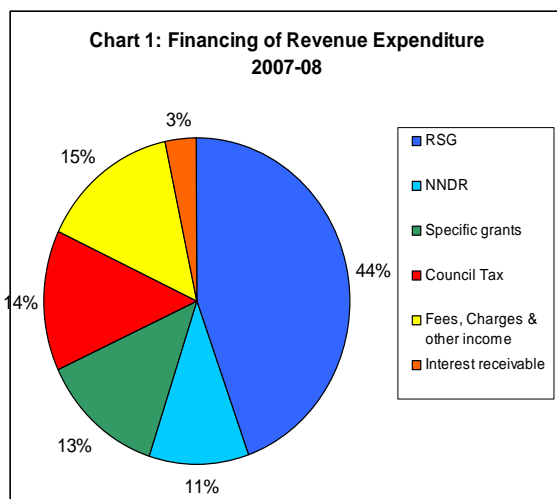
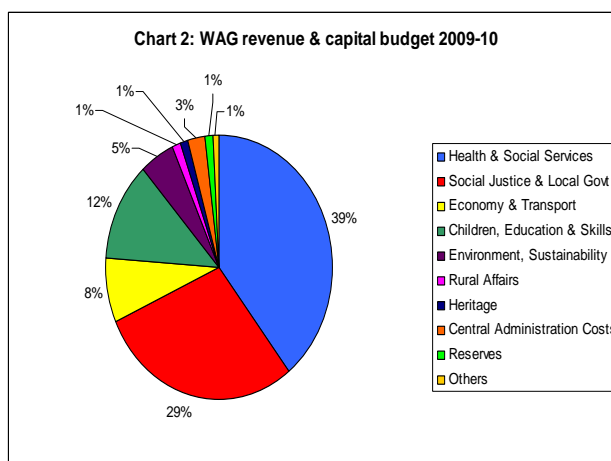


Chart 2



3. Chart 1 shows, unlike other public sector bodies, local authorities generate 18 per cent of their revenue funding from fees and charges and interest earned on investments. As such, any reduction in income has a direct impact on their ability to finance local services.

Impact of the Recession

4. Although the UK economy came out of recession in the first quarter of 2010, the effects are still being felt by local authorities. There has been a significant increase in the number of housing benefit applications and homelessness presentations since the recession began, combined with a reduction in income from fees and charges, particularly in the areas of planning and building control. Low interest rates have impacted on investment income (reducing income by around £30 million per annum) and authorities have also seen a substantial reduction in land sales and lower land values impacting on their capital programmes

¹ Mid Year population estimates, 2007, Stats Wales website

Revenue settlement

5. Since 2005-06 local government has consistently received a lower annual increase in its budget than other parts of the public sector in Wales. In 2010-11 the local government settlement was in line with the overall Welsh Assembly Government funding uplift of 2.1 per cent, but still lagged 0.5 per cent behind Health. Total budgeted gross revenue expenditure reported by Welsh local government for 2010-11² has increased by 3.6%. This situation has led to authorities having to make considerable savings over recent years to balance their budgets. These savings include making efficiency gains, reducing service provision, making job losses and increasing fees and charges. For example, local authorities are forecasting 3,000 job losses³ in the next period with more expected.

Capital Settlement

6. Schools, libraries, community facilities, roads, parks and other local authority assets often represent the most identifiable public face of local government in its communities. The relative state of repair of these assets is key to the service quality and accessibility and does influence citizens' experience and perceptions of their communities. Under investment in these assets over several decades in the late 20th Century has led to their deterioration.
7. In 2010-11 local government has received a capital settlement of £576 million and has already seen dramatic reductions to key specific capital grants including the School Building Investment Grant and the Local Roads Maintenance grant. Local government is very concerned about the impact this will have on its ability to maintain their assets, deliver their capital programmes and transform their services to achieve a lower operating cost model.
8. Unlike other public sector bodies, local authorities have the power to borrow money to fund capital projects. Prudential borrowing can be an effective tool to deliver Invest to Save projects, but only where there is a robust business case which identifies cash releasing revenue savings to service the debt. As revenue budgets get tighter over the next few years the use of prudential borrowing is likely to become higher risk because while it enables capital projects to be delivered it also ties up revenue funding for many years into the future.
9. Local authorities also have a statutory responsibility to set and maintain reserves to ensure they can meet their future financial needs. The vast majority of their reserves are earmarked for specific purposes, such as schools' reorganisation plans and are not therefore available for any alternative use. Local authorities also hold contingency balances, which are comparable to the Welsh Assembly Government budget reserves and these are set according to local circumstances, to deal with unforeseen events (e.g. flooding) or unpredictable levels of expenditure (eg Equal Pay compensation). However, between 2005-06 and 2009-10 local authorities have had to use £105 million of contingency reserves to balance their budgets⁴. A further £10 million is expected to be used in the current financial year and it is self evident

² WAG Statistical Release SDR85/2010, "Local Authority Budgeted Revenue Expenditure: 2010-11"

³ WLGA Pay consultation survey January 2010

⁴ WLGA Survey of authorities May 2010 – data collection completed by the Local Government Data Unit

that using one-off reserves to bridge recurrent revenue funding gaps is not sustainable.

Specific grants

10. In 2010-11 the Welsh Assembly Government is providing £724 million to local government in the form of specific ring fenced grants (full list at Annex 2). These grants have administration and audit costs associated with them, which are estimated to be in the region of five per cent of the total grant cost⁵. In line with the New Understanding, local government would like to see this cost saved by transferring a significant number of specific grants into the Revenue Support Grant.
11. Local government is concerned that a reduction in the Welsh Assembly Government budget will lead to specific grants (both capital and revenue) being cut or redirected to meet new initiatives rather than transferred to local government to protect valuable existing services.

Efficiency Savings

12. In 2010-11, Welsh local authorities are managing over £226 million in growth or inflationary pressures in their budgets. In order to balance their budgets, authorities are making efficiencies and savings of £91.470 million in the current year, equivalent to 1.8 per cent⁶. In addition the previous 2009 ESG Report identified recognised pressures amounting to over £50 million which continue to be unfunded.

Balancing the Budget	£'000
Required savings: Efficiency	53,179
Required savings: Service reductions	19,832
Required savings: Increases in fees and charges	3,389
Required savings: Other savings	15,070
Total	91,470

⁵ Partnership Council minutes, April 2010

⁶ WLGA Survey of authorities May 2010

Strategic Context

1. The vast majority of local services are provided by local government year after year and their costs vary depending on pay and price changes (some of which are beyond local government control).
2. Over 160,000 people work for local government – 52 per cent of all public sector employees in Wales. The local government workforce includes teachers, social workers, home helps, refuse collectors and road maintenance staff and their employment costs amount to over £3.4 billion per annum - more than half local government annual net expenditure. Of this £1.3 billion represents teachers' pay, the rest funds other local government employee pay. The total pay bill in 2010-11 for fire fighters in Wales is over £107 million and for the police is £580 million. Annual pay increases are negotiated at an "England and Wales" level for all these employees and are currently inescapable.
3. The future outlook for public sector finances is such that many commentators have suggested pay freezes across the public sector as one way in which the anticipated budget reductions can be mitigated. This is indeed the position that local government employers took in the pay negotiations for 2010-11.
4. There are also changes to other pay related expenditure that will increase costs regardless of the level of pay increase that is negotiated, namely Employers' contributions to the Local Government Pension Scheme (LGPS).

Pay and prices pressures

Expenditure type	Uplift Applied	Total cost (£000)	Settlement cost @ 80% (£000)
Teachers pay	1.00%	13,000	10,400
Fire Fighters' pay	0.00%	0	0
Other pay (excl. Fire)	0.00%	0	0
Single Status increments		20,000	16,000
Pensions	3.00%	57,000	45,600
Non-pay	1.50%	25,000	20,000
Care Home Fee inflation	5.25%	15,000	12,000
Landfill Tax increase		5,600	4,480
Total		135,600	108,480

Teachers' Pay

5. 2010-11 was the third of a three year pay deal for teachers, where the pay increases was agreed at 2.3 per cent in January 2008, although this pay award remains subject to ratification by the Government. Teachers' pay and conditions are negotiated through the School Teachers' Review Body (STRB) which makes recommendations to the Secretary of State for Education, who sets the STRB remit.
6. Pay negotiations for 2011-12 have not begun yet. Based on the latest Revenue Outturn (RO) form data (2008-09) up rated to 2010-11 prices, every one per cent increase equates to approximately £13 million additional annual cost from 2011-12.

Other Local Government Employees' Pay

7. The Employers have decided that there will be no cost of living increase for Chief Executives, Chief Officers, Green Book and Craft Employees for 2010-11.

Single Status Agreements

8. Councils across Wales are continuing to make progress on Single Status and equal pay issues. However two new issues have arisen since the previous ESG report.

Second Generation Claims

9. The trades unions have been very active in seeking and taking additional equal pay claims across many authorities, including even those authorities such as Neath Port Talbot and Torfaen for whom they have expressed praise for the manner in which the Single Status process was carried out and implemented. These claims are different to those based on the payment of historic bonuses to mainly male employees. However more authorities now report a direct correlation between the level of the settlements and the higher number of head count reductions required.
10. Some of these claims are on the basis of pay protection paid to those employees who are losing pay. The claimants cite as comparators those of the opposite gender who have been rated as equivalent but are pay protected at a higher level for a period to cushion the effect of losing pay following implementation of the new pay and grading structure.
11. The trades unions have also been very active in seeking out retrospective Job Evaluation Scheme (JES) claims on behalf of those who have gained as a result of the job evaluation exercise – 'Gainer' claims. These relate to employees who are graded higher and therefore earning more following job evaluation, and can cite a comparator of the opposite sex at the same level who was also earning more than them beforehand. There is no automatic entitlement to 6 years back pay in these circumstances but it can be argued via an 'equal value' claim that they should have been paid the same for the last 6 years. Publishing the JES results gives the information on which equal value claims can be made.

Trades Unions Refusal to Enter into Collective Agreements on Single Status

12. The most recent development affecting progress is that the Trades Unions have decided at a National level that collective agreements on Single Status can only be entered into where there is absolutely no possible sex discrimination within the

proposed package (which requires settlement of any potential equal pay liability at unrealistic levels to achieve). This effectively means that no more collective agreements on Single Status can be entered into. This is because of concerns regarding the risk of action against any union on the basis that the agreement that was entered into was in some way discriminatory against their women members.

13. The impact of the union's decision is that local authorities now cannot implement Single Status locally without separately consulting each and every employee employed under 'green book' terms and conditions, and obtaining their individual agreement. This is because implementing a new pay structure and terms and conditions would involve a change of contract which can only be lawfully affected by either a collective or individual agreement, and a collective agreement is no longer an option.
14. Where employees do not agree to the change the only option available to the employer to effect the change is dismissal and re-engagement on the new contract terms. This situation is now putting authorities in the position of having to undertake a great deal more work to implement Single Status, as well as leaving them open to unfair dismissal and / or breach of contract claims from any employees dismissed and re-engaged.

Progress to Date

15. Against this background, nine authorities have completed their job evaluation process and a further nine authorities are more than seventy per cent of the way through the process. Progress is not always as fast as authorities would like due to a number of factors in addition to those described above, such as the continuously shifting legal landscape and the difficulty in negotiating collective agreements with trades unions in the current climate. Eleven authorities expect to complete the process by the end of 2010-11 with the remainder expecting to complete in early 2011-12, which means that this remains a particular pressure that these authorities will need to meet within their budgets for that year.
16. Nine local authorities have now made equal pay compensation payments, seven of which have taken advantage of the ability to capitalise these payments which has helped them to spread the cost of the compensation over a number of years, this additional flexibility has allowed authorities to manage this pressure over a longer time frame. Welcome as this flexibility to capitalise compensation payments is, it is not a panacea – this approach means that authorities must then build the interest costs and debt repayments into their revenue budgets and needs to be considered alongside their capital programmes. The total cost of equal pay compensation to date is £56 million and clearly there is an opportunity cost to the remainder of the Councils' budgets of funding these payments. Five of the remaining authorities intend to defend any claims made against them, with the remainder still to determine their approach.
17. The 4.5 per cent added to the settlement over the period 2005-06 to 2007-08 was to provide for the additional costs of introducing the new pay and grading structures, but the Local Government Employers advise that this figure is now running at 7 per cent due to implementation in a greater number of large, more complex councils. We recognise that the 4.5 per cent has been inflated by the same magnitude as the rest of the settlement. That said, a knock on effect of this implementation is that

the majority of employees assimilate to the bottom of their new scales. While some increments occur most years and the effect of this is usually absorbed into the budget setting process, the number of staff receiving increments each year following job evaluation will be far higher than is usually the case for at least five years.

18. Based on evidence from Councils that are more advanced in their job evaluation process, the effect of these additional increments over and above the normal annual incremental drift was modelled and extrapolated, based on shares of the Standard Spending Assessment (SSA) to give totals for Wales. The result was additional costs due to additional incremental drift amounting to approximately £20 to £30 million per annum that authorities will have to manage.

Fire Pay

19. As with local government employees, fire fighters' pay negotiations for 2010-11 are at an early stage. Pay settlements for fire fighters have traditionally been above the national average for local government employees. Every one per cent increase in pay will add £1 million to the pay costs of the Fire and Rescue Services.

Independent Safeguarding Authority

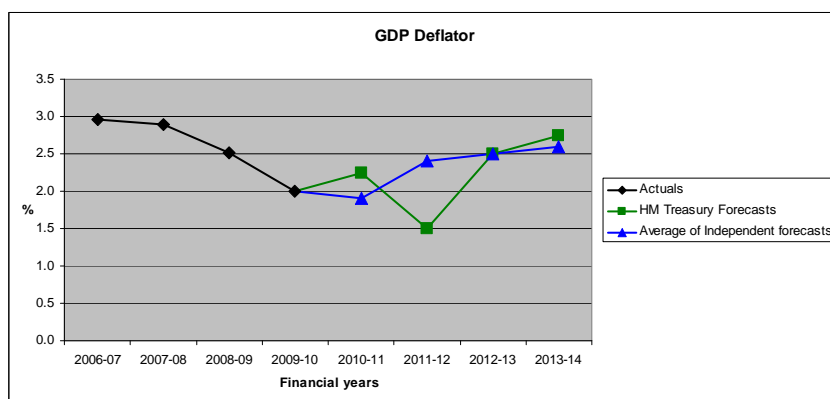
20. The aim of the Independent Safeguarding Authority (ISA) is to help prevent unsuitable people from working with children and vulnerable adults. It operates two lists – the Children's Barred List and the Vulnerable Adults Barred List and makes independent decisions on whether to place or remove individuals on these lists.
21. From July 2010, authorities will have to register new employees or those that change jobs with the ISA, at a cost of £68 per employee. All other staff whose work involves access to children or vulnerable adults will be phased into the scheme from 2011. Individual authorities' estimates of the potential cost of registration of all affected staff range from £175,000 to £500,000, dependent on the size of the authority.

Price Inflation

22. There remains no specific inflation indicator for local government services, and the GDP deflator has traditionally been used to inflate the non-pay element of local government expenditure. It is also worth noting that there are a number of sector specific inflationary rates that have a significant impact on local government.
23. The care home fee inflation rate has averaged 5.6 per cent⁷ in recent years and is estimated to be 5.25% for 2010-11, equating to a pressure of £15 million and this exacerbates the already increasing costs in social services still further.
24. Annual landfill tax increases are now £8 per tonne per year, however, the tonnage of waste being dumped in landfill decreased by an average of 8.5% per annum over the period 2005-06 to 2008-09. The amount of waste land filled in 2008-09 was 1,034,507 tonnes. If we assume a similar year on year decrease to 2011-12, then the tonnage to which the landfill tax inflator would apply would be in the region of 700,000 tonnes resulting in an additional cost of £5.6 million each year.
25. HM Treasury forecasts show that the GDP deflator for 2011-12 is expected to be 1.5 per cent. However, there is a significant difference between HM Treasury forecasts

⁷ Derived from data provided by authorities to the SSIA, May 2009

and those of independent forecasters⁸ particularly for 2011-12. The average of the independent forecasts for GDP in 2011-12 is 2.4 per cent (individual forecasts range from 1.1 per cent to 4.7 per cent).



26. If the GDP deflator is taken as a proxy for inflation, then this indicates an additional cost of £25 million although it could be as high as £40 million depending on which forecast is used.

Local Government Employees' Pensions

27. Local Authority Pension funds are subject to a triennial actuarial valuation, where actuaries take a view on whether the pension funds as they stand at present are sufficient to meet their future obligations. The relative health of the pension funds depends on the state of the financial markets, where the funds are invested. One of the largest changes since the last valuation at 31 March 2007 is the banking crisis and global economic downturn. While some of this can be managed through investments to Gilts and other safer investments, the overall effect will be an increase in the pensions fund deficits. There are various measures local authorities could implement to address this, one of these is an increase in employers contributions. However, the fact that the LGPS is a funded scheme with the potential to recover alongside the market is an advantage compared to other public service schemes.

28. The results of the revaluations will not be known until the autumn, but based on actuarial estimates to date, it is expected that the total pension fund deficit for Wales will be in the region of £4.2 billion. A survey of the eight Welsh pensions authorities estimates that employer contributions will need to increase by 8-10 per cent over the next three year period, an additional annual cost of £50 to £63 million.

29. Currently the Department of Communities and Local Government is leading investigations into the future sustainability of local government pension schemes. This includes consideration of mechanisms for the sharing of the future cost between members and employers.

⁸ The HM Treasury Forecasts for the UK economy include a range independent forecasts

Strategic Context

1. Functional definitions of capital investment such as the one below fail to capture the importance of this stream of expenditure which is fundamental to service delivery both now and into the future. It is often expenditure that goes unseen - the replacement of a boiler or meeting health and safety requirements – these things have to be done, but are not high profile and they do not capture the imagination of the public.

. Capital Expenditure is usually understood to mean capital formation, the net acquisition of land, and expenditure on capital grants. Capital formation is expenditure, net of sales, on fixed assets (such as buildings, vehicles and machinery) Fixed assets are assets that can be used repeatedly to produce goods and services and generally last more than one year.⁹

2. For Wales' citizens and communities the capital expenditure manifests itself in the schools, libraries, roads, parks and other local buildings that represent the identifiable public face of local government. The relative state of repair of these assets is key to the service quality and accessibility and can influence citizens' experience and perceptions of their communities.
3. The current indicators are that capital funding is likely to be severely reduced in the period to 2015 and possibly beyond.

Current Performance

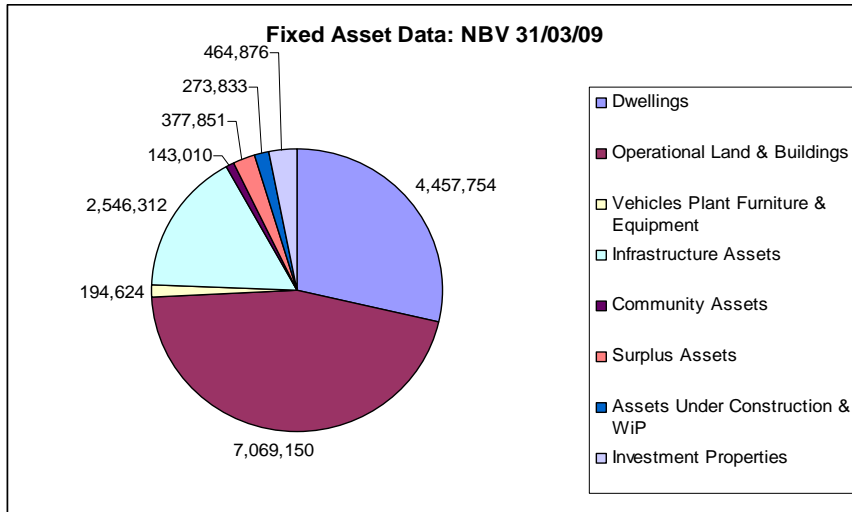
4. Figure 1 shows that the Net Book Value¹⁰ of fixed assets owned by local government in Wales was £15.5 billion in 2009. Over £14.4 billion are operational assets which include:
 - Land and building to deliver direct services to the public
 - Council housing stock
 - Assets that support service delivery (e.g. the town hall, other administrative offices, and vehicle depots)
 - Non-operational property (e.g. surplus property awaiting sale or commercial and industrial property)
 - Transport assets (e.g. highways¹¹, ports, municipal airports, bus stations, car parks and park-and-ride)

⁹ Public Expenditure Statistical Analyses 2007, April 2007, HM Treasury, National Statistics p.212

¹⁰ Net Book Value is the original acquisition cost of the asset less accumulated depreciation – it is not the same as market value.

¹¹ At present, the value of local highways is not fully reflected in the Capital Finance returns, and the asset values presented in this Framework therefore understate the real value of local authority assets.

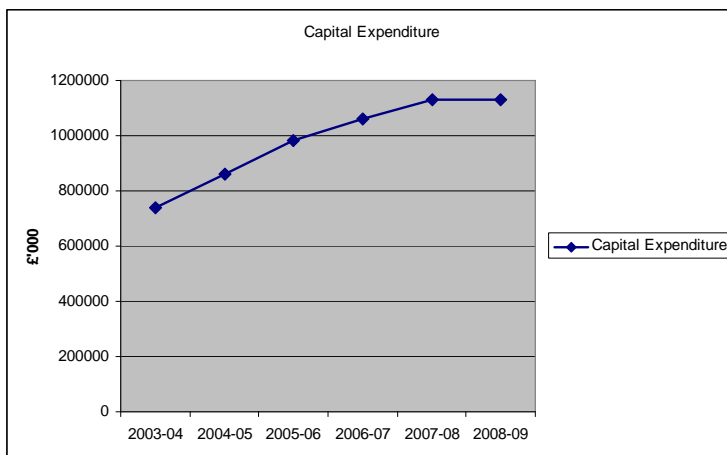
Figure 1



Capital Expenditure

5. In 2008-09 capital expenditure by Wales’ local authorities was £1,128 million (£377 per capita). Critically, as a pointer to future risks, in 2008-09 capital expenditure fell by £17 million (two per cent)¹² compared to the previous year (when the public sector was not fully exposed to the full effects of the global recession). Figure 2 illustrates the levels of growth in the past six years and the decline in 2008-09.

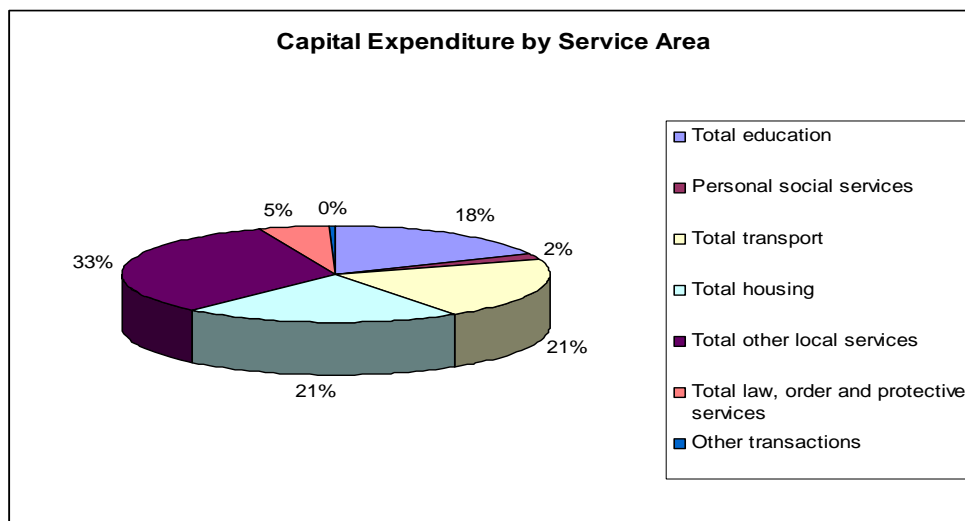
Figure 2



6. Councils’ capital expenditure was spent across the range of services that local authorities provide and this is illustrated in Figure 3. The largest service spend was on local services (£372 million – of which planning and sports facilities were the largest elements); the next highest were housing (£238 million); transport (£231 million) and education (£204 million).

¹² From Stats Wales bulletin ref: SDR 160/2009

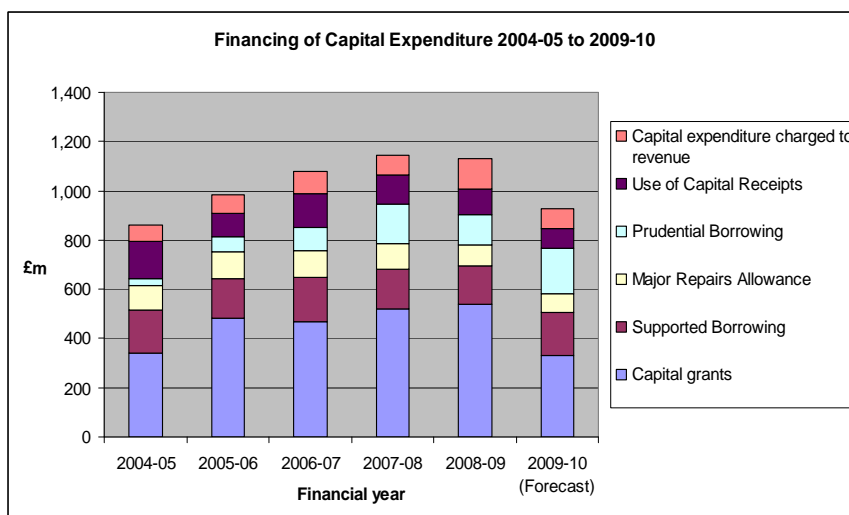
Figure 3



Financing capital expenditure

7. Figure 4 shows how capital expenditure has been financed since 2004-05.

Figure 4



8. The majority of capital expenditure is supported by capital grants, receipts and revenue resources but councils also use borrowing to finance capital expenditure. In 2008-09, 69 per cent of councils' capital funding came from central government, of which 48 per cent was in the form of capital grants. The remaining 31 per cent was funded from councils' own resources, including 11 per cent from unsupported borrowing¹³.

9. Capital grants comprise General Capital Funding (GCF) and specific grants. GCF is made up of:

- *Supported borrowing* - The total amount of long term borrowing for capital purposes by local authorities, which WAG supports through the revenue settlement; and

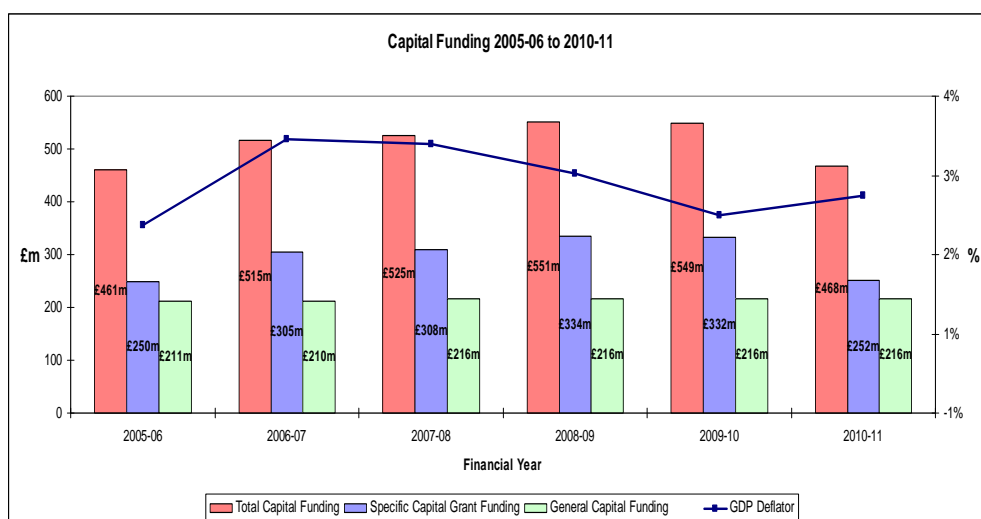
¹³ References in this document to unsupported borrowing refer borrowing undertaken by local authorities that is not supported by central government funding. There are a range of other terms used to describe this financing method, the most common being Prudential Borrowing

- *General Capital Grant* – a direct un-hypothecated (ie discretionary) capital grant to each authority distributed on a formula quarterly.

10. At an all Wales level, GCF is based upon notional amounts for each service area, however when distributed to authorities, it is recognised that the grant will be used as local priorities require. GCF has remained unchanged since 2007/08; in effect its value has diminished over time. In real terms keeping GCF at a static level represents a substantial cut, since 2007/08 this failure to keep place with inflation represents a 5.5 per cent real terms cut.¹⁴

11. Un-hypothecated GCF gives councils greater flexibility to target funding at those areas highlighted by their asset management plans and local priorities. Capital specific grants have similar overheads to those of revenue specific grants and this continues to be an area of concern for both local government and the Welsh Assembly Government. Those overheads include the costs associated with bidding processes, audit costs and meeting criteria for grant conditions. Despite these concerns the trend for a greater use of specific grants in revenue funding has been replicated in the capital settlement as evidenced by Figure 5.

Figure 5



12. Local government is concerned that the spread of un-hypothecated **General Capital Funding (GCF)** across Ministerial portfolios makes the funding vulnerable to cuts in the next period and would stress the importance of this funding stream in councils' capital programmes.

13. **Supported borrowing** is borrowing that is funded by the Assembly Government. The level of supported borrowing has remained unchanged at £162 million since 2005-06 and is now therefore supporting less capital expenditure than previously as prices have increased (the equivalent of £25 million). Furthermore any reduction to this funding stream would undermine existing asset financing in local authorities.

14. Since 2008-09 £99.2 million of local government's capital expenditure has come from the Assembly Government's **Strategic Capital Investment Fund (SCIF)**. The allocation of capital through competitive mechanisms such as SCIF during a time of resource contraction represents a key challenge for local government. The bidding

¹⁴ Inflation rate calculated using HM Treasury GDP deflator figures available at: http://www.hm-treasury.gov.uk/data_gdp_annex.htm

process is both time consuming and expensive and can raise local expectations to an unrealistic level. Furthermore, the expectations of the Strategic Capital Investment Board (SCIB) with regards to a predetermined and very detailed approach to the business planning process have not necessarily ensured that the most *appropriate* schemes have been selected. Many councils have commented that the amount of funding and time that is necessary to make bids to processes such as SCIF (and arguably the 21st Century Schools Programme) is disproportionate and does not represent value for money. Often this is because the priorities of those judging the bids (SCIF was created to support the vision of *One Wales*) maybe at odds with local needs and priorities. During a period of reduced funding, the importance of non-hypothecated funding, which allows councils to direct resources to where they are needed most is of critical importance. Although new programmes may be desirable, these need to be balanced with the need to maintain existing assets too.

Glyn Vivian Arts Centre (GVAG), Swansea

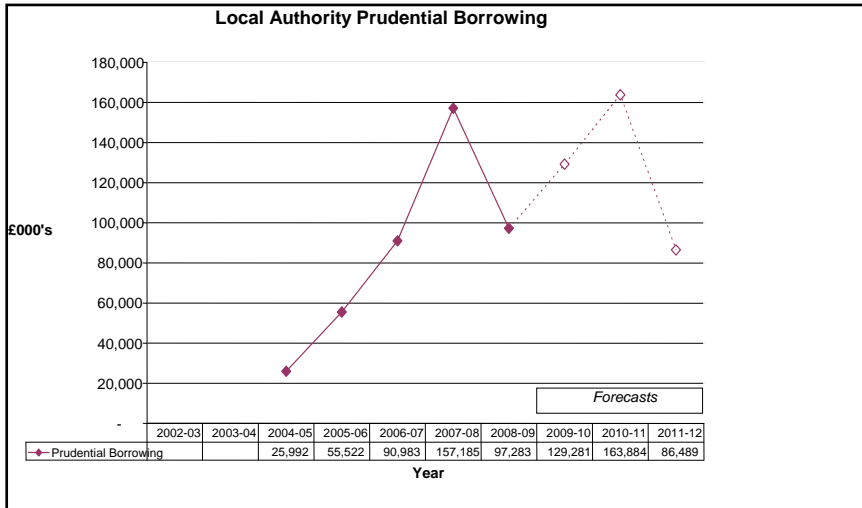
The Council has developed a scheme, estimated at £9m for the refurbishment of the GVAG. Having previously earmarked £500k within the capital programme and secured, in principle, a further £2m from the Arts Council Wales, a bid was submitted to the Strategic Capital Investment Fund (SCIF) for the remaining £6.5m. The Assembly has approved an allocation of £3.5m from SCIF but this leaves the project with a £3m shortfall. The Authority is considering options to bridge the funding gap and containing the expenditure within the overall sum available.¹⁵

15. Unlike other public sector bodies, local authorities have the power to borrow money to fund capital projects. The Prudential Capital Finance system was introduced in 2004 and it allows councils to self-finance borrowing for capital expenditure without prior Government consent. The **unsupported borrowing** system seeks to facilitate the use of borrowing for capital projects, provided it is affordable but councils must manage their debt responsibly and decisions about debt repayment should be made through the consideration of effective treasury management practice. Any borrowing will incur a revenue 'tail' – this cost varies with interest rates and changing accounting rules, however as a rule of thumb, debt costs an authority approximately ten per cent of the loan value each year, comprising the interest charges and money set aside to cover the repayment of the debt.¹⁶ For any borrowing to be considered prudent the council must satisfy itself that it can afford this revenue consequence.
16. In the past typically, Welsh authorities have used unsupported borrowing as an effective tool to deliver Invest to Save projects, where there is a robust business case identifying cash releasing revenue savings to service the debt.

¹⁵ Taken from Swansea City Council Report, 22nd February 2010 'Capital Budget and Programme 2009/10 – 2013/14'

¹⁶ Recent changes to the calculation of the Minimum Revenue Provision (MRP) may reduce this figure slightly.

Figure 6

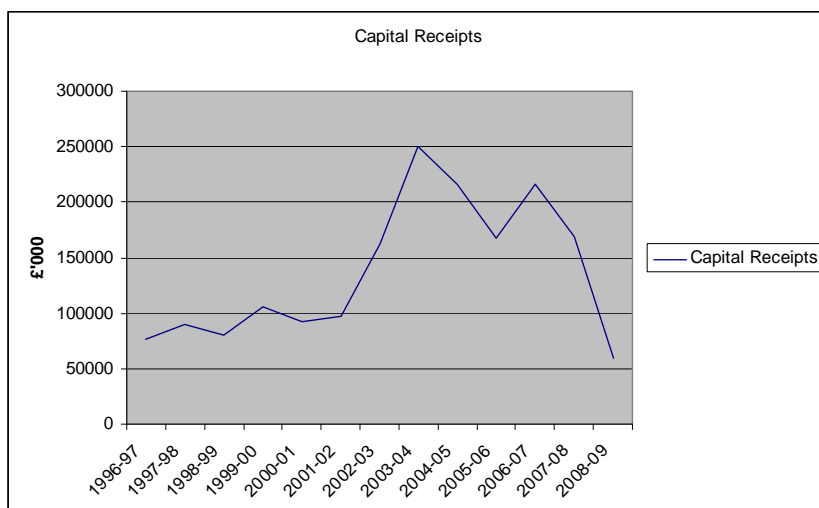


17. In figure 6, the period 2009-10 to 2010-2011 identifies a predicted increase in unsupported borrowing but a significant fall off in 2011-12. It could be expected that the use of unsupported borrowing by councils is likely to reduce over the forthcoming period as revenue resources contract and service demands for revenue funding increase. Despite these pressures unsupported borrowing will be a potential route to closing the capital funding gap and that could explain the continued rise in 2009-2011. It is also the case that in this period councils may have chosen to borrow to support change programmes that will reduce revenue costs in the medium term.

18. A **capital receipt** is the money received by a council from the sale of a capital asset or from the repayment to the local authority of a grant or loan from a third party for capital spending. Authorities can only use their non housing capital receipts to fund capital expenditure or repay debts.

19. The unprecedented and rapid decline in capital receipts in 2008-09 was a stark illustration of the effects the global recession has had on councils' ability to invest in their asset base. 2008-09 saw a reduction of £110 million (64 per cent compared to the previous year) and was the lowest level of receipt since local government reorganisation in 1996. Work undertaken by the Local Government Association (LGA) in England has predicted that property and land values may not recover their pre-recession levels for another ten years.

Figure 7



20. At certain times councils will chose to **support capital expenditure through their revenue resources** often by using reserves. Approximately 30 per cent of the earmarked reserves held by local authorities are set aside for capital use (the capital works reserve and the capital receipts) given the scale of investment requirement, councils' restricted ability to generate new capital receipts and the predicted contraction of revenue resources it is highly unlikely that revenue contributions to capital expenditure represent a sustainable funding model for the medium term. This risk is further exacerbated by the fact that councils increasingly have to use reserves to close gaps within the revenue budget. A reduction in the availability of capital funding from reserves could also have an effect on councils' ability to raise capital financing from other sources such as European structural funds where match funding is required.

Financial and operational risks

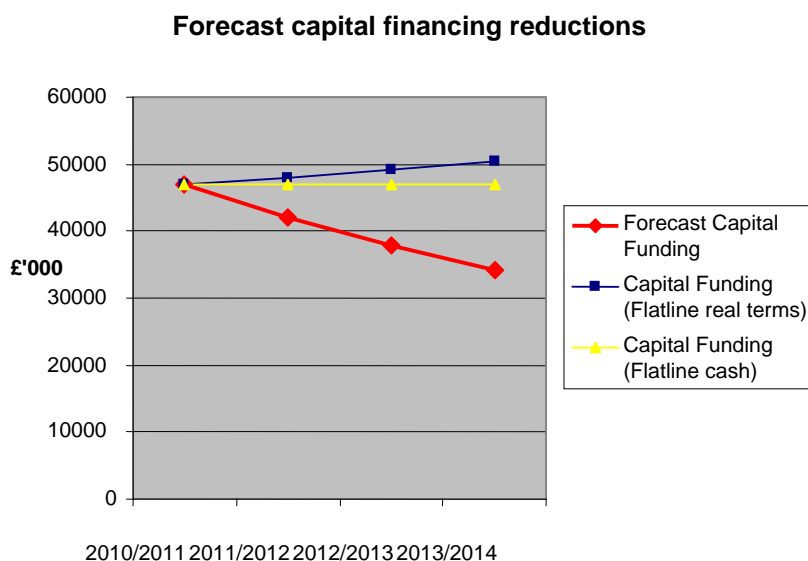
Projected Reductions in Capital Expenditure

21. As the scale of the Westminster Government's interventions during the financial crisis of 2008-2009 became apparent it was very clear that there would be a substantial decrease in the level of public sector investment. The 2009 pre-budget report shows a sharp reduction in capital spending across the UK public sector. In line with WAG planning scenarios local authorities are forecasting a cash reduction in their capital budgets of 10 per cent year on year for the next three years this would see a reduction in cash terms of £127 million by 2013-14. However, the severity of that situation is exacerbated still further when this is considered as a real terms reduction; this would be in the region of 32 per cent over the next three years.

22. These figures may be further understated by virtue of the fact that construction inflation rates have consistently run at levels in excess of measures such as the Treasury GDP deflator and the Consumer Price Index.¹⁷

¹⁷ Taken from the 'State of the Nation' Report of the Institution of Civil Engineers, January 2008

Figure 8



23. Any reduction of core external capital funding on this level will have a significant impact on the ability of councils to maintain their asset bases to an acceptable standard before any consideration of 'investment' in new assets or services. There is evidence from local authority capital strategies that maintenance work is being delayed and investment cancelled in the current year. This contraction will be felt more acutely due to councils' reduced ability to raise borrowing due to prohibitive revenue pressures, the collapse of capital receipt income and additional pressures on reserves.
24. There remains a critical requirement to invest in both the service delivery infrastructure and also the wider community infrastructure that will allow greater economic growth and resilience. The Infrastructure UK unit, based within the Treasury, have recently identified a UK wide infrastructure gap of £250bn over the next two parliaments – **the gap in Wales could be as much as £14.725bn**¹⁸.
25. Set alongside the contraction in the resource base to invest in their infrastructure councils are also faced by mounting challenges in terms of the **standard of their assets and infrastructure** and the impact that it has on their ability to deliver citizen centred effective and efficient services. Changing delivery patterns require different asset infrastructures and increasingly the promotion of joint working across the public service requires co-location e.g. social services and health. Initiatives such as the combined local authority and NHS at Mono Vale in Monmouth have enabled improved service delivery. This asset was procured using the Private Finance Initiative and then jointly funded by the two bodies under a section 33 agreement.
26. When assessing the impact of decreased capital funding there are a number of different impacts that can occur. They may not be as immediate as pressures in revenue budgets but they can have long-lasting effects on the way (and the success with which) services are delivered. Decisions to delay maintenance or investment in

¹⁸ Public Finance April 30th 2010

assets can ease immediate cash flow and resource concerns but **the costs of underinvestment** can have far reaching consequences as maintenance issues become more severe and the annual running costs increase. A failure in the past to fully understand the full lifecycle costs of an asset have led to a failure to provide adequately for routine investment.

27. To ensure successful service delivery the assets that councils deploy have to be **the right assets maintained to the correct level**. The majority of any council's capital expenditure will be spent on mundane and routine maintenance of the existing asset base. There are routine maintenance pressures such as the upkeep of a building's fabric, compliance with ever more rigorous health and safety and other legislation such as the DDA, vehicle fleet replacement and ICT infrastructure costs are all examples of expenditure that goes relatively un-noticed.
28. Furthermore, councils provide a range of services that do not feature highly in the public conscience nationally. Whilst the state of the education estate is rightfully a cause for national concern and the importance of new transport infrastructure should not be overlooked there are many services such as crematoria that require continuing capital expenditure and is an area of sensitive local concern. The consequences of not investing in the ongoing maintenance of infrastructure assets such as bridges and culverts should not be underestimated.

Highway Bridges Backlog Works in Rhondda Cynon Taff currently includes 425 highway bridges throughout the county. The high number of bridges is linked particularly to the topography of the Valley areas and the highway links supported in many instances are the only access points to many communities and or carry traffic along the only suitable route for large numbers of vehicles which if diverted to alternatives would cause intolerable congestion. A comprehensive inspection regime is in place that incorporates all bridges to ensure that they are safe to use and to support decision to spend the Councils limited available budgets. Whilst no bridges in the area are deemed as dangerous twenty five bridges are in need of significant works at an estimated cost of approximately £25 million.

Service Transformation

29. For some service areas capital is pivotal in transforming the way that a service is delivered. A current example of this is the 21st Century Schools Programme. This programme has recognised that the cost of bringing the Welsh educational estate to a standard fit to deliver a 21st century standard education is in the region of £2.2 billion. This joint WLGA/WAG programme is a strategic, long term investment programme that will provide capital investment and programme support. There is a risk, given the prevailing economic context, that the level of programme funding will fall below the necessary level, this would curtail the programme's ambition and potentially see a return to the traditional 'patch and mend' approach to schools building maintenance. The 21st Century school initiative is a good example of the importance of capital funding in transforming the delivery of key public services. It also represents the risks that the dependency on capital funding presents in the current financial crisis.

Asset Management in Local Government

30. Local authority fixed assets in Wales have a NBV £15.5 billion¹⁹ which makes them the second most costly resource after staff for local authorities to manage. In 2008-09 Welsh Local Authorities spent £128 million on required maintenance on the 6.5 million m² of assets they are required to maintain (equivalent to £19.5 per m²). Effectively managing the asset base allows local government to deliver better outcomes for citizens, create a sense of place and generating efficiency gains. Asset management should underpin, and contribute to, delivery of the local vision and priorities as set out in the Community Strategy. Its importance cannot be underplayed:

*Strategic asset management is the activity that seeks to align the asset base with the organisation's corporate goals and objectives. It ensures that the land and buildings asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned.*²⁰

31. Asset management has not always been an area of strength for councils but it is an area that has become increasingly important as councils seek to ensure that their assets are in the right places, are accessible to the citizens and enable their staff to work in the most appropriate environment. Asset management is often closely linked to councils drive to become more ambitious. In new build facilities, such as Caerphilly CBC's Penallta House, the latest sustainability targets have been met and the running costs have been reduced. Local authorities have also taken strides to move to more modern working practices, freeing office space allowing for the rationalisation of property portfolios whilst at the same time empowering staff and improving productivity as a consequence.

32. Welsh Ministers have the power to allow local authorities to capitalise revenue expenditure in certain circumstances, such as equal pay compensation claims and statutory redundancy costs. This has enabled local government to spread the cost of these liabilities over a number of years. However, there are concerns that the limit set by HM Treasury for **capitalisation** may be reduced in the next period. Should that happen it would undoubtedly restrict the ability of councils to manage these liabilities, putting additional pressure on revenue budgets.

Mitigating Actions

33. As has been evidenced above capital expenditure is critical for the future delivery of efficient, effective and economic services in Wales. It allows councils to invest in their infrastructures so that they can deliver their services close to the citizen in fit for purpose buildings. However, in a period of resource contraction skill sets around option appraisal, project & contract management, value for money appraisals and asset management have never been more important.

34. Authorities are faced with the challenge of planning for both an economic upturn (within the economy as a whole) and fiscal tightening within the public sector. Within this complex environment Medium Term Financial Planning is critical and there is a need to manage expectations and focus on the impact of potentially limited additional spending.

¹⁹ Whole of Government Accounts, 2009

²⁰ RICS's 2008 Public Sector Asset Management Guidelines

35. Local government must now seek to rationalise its property accommodation to improve service delivery however, councils need to ensure 'that assets are disposed of at the correct time. Assets sold before development has increased land values which may lead to the local authority (and citizens) getting a poor return. Furthermore the renewed focus on asset management should seek to effectively prioritise capital expenditure, ensuring that those areas of greatest need, where the benefit will be most clearly felt are given priority. They must also generate revenue savings from its assets, often this will involve additional investment and this will need to be considered as a part of the whole investment strategy but energy efficient investments will reduce the annual revenue costs.

Alternative work place strategies – Torfaen CBC

Torfaen CBC have launched an Alternative Workplace Strategies (AWS) that will play a key role in reducing the overall floor space requirement within a new civic building consequently having a major implication on both the initial cost of building provision and the subsequent cost of operation.

The authority undertook extensive research and a number of successful pilot studies have been developed that established the case for change. The pilots have identified a significant range of benefits directly attributable to the introduction of flexible working. Some of these, as stated, relate to cost reduction, but a positive impact in relation to employee productivity, climate change, family friendly working arrangements, absenteeism, and employee wellbeing and customer service can also be expected.

36. Local authorities also have an opportunity to work in partnership with other public service bodies to reduce their running costs of assets in key publicly accessible locations. This sharing of costs will bring benefits but for some authorities there may also be the opportunity to generate additional revenue streams from assets. Many councils are, through good asset management, using income from their property investments to keep council tax down, and using strategic investment in property to support vitally needed regeneration.

Efficiency Gains

37. Capital is often a vital part of local authority plans to increase their efficiency and effectiveness. The ability to invest in new technology to change working practices and improve assets so that they are more efficient in their running costs. There are many examples of change projects that generate significant capital implementation costs. Where these are significant they have the ability to jeopardize the success of the change project.
38. There are a range of devices that can aid local authorities in this challenging time.
- They must retain autonomy in the control of their asset base to deliver services effectively. It should be recognised that central government's aspirational targets for asset disposals may not be achieved at the current time and councils must seek to achieve the best possible price when disposing of assets.

- Working with other parts of the public service, Councils can seek to collaboratively procure public service facilities that enable easier citizen access and share the investment and running costs.
- Using their existing powers within the Prudential Borrowing framework judiciously will be critical as councils seek to invest in service change models that will deliver future efficiencies and potentially support capital programmes during this period of exceptionally low capital resources.
- Seek to utilise new and innovative forms of financing to generate additional investment. This could involve partnerships with other parts of the public service or the private sector. There are a range of different funding vehicles such as JESSICA (Joint European Support for Sustainable Investment in City Areas) which allow authorities to use their assets to secure private sector infrastructure investment. The 21st Schools programme and the local government / assembly waste funding streams are good examples of innovative partnerships to deliver investment requirements that meet both partners' policy aims.
- Develop new ways of working for employees that reduce the need for large office investments e.g. home-working and hot desking.
- Seek to develop new and innovative funding arrangements such as public private partnerships and tax increment financing
- Improve the standards of asset management within local authorities and make this a key part of their medium term financial planning assumptions
- Use existing land holdings to support private sector development effectively
- Use the Electronic Property Information Mapping System (ePIMS) to manage land and property holdings on a sub-regional and regional basis
- Develop effective asset transfer protocols to ensure that where there are mutual benefits assets can be transferred to other parts of the public service in a simple transparent and timely manner

Strategic Context

1. Local authorities have a key role to play in delivering the high quality education and lifelong learning that is fundamental to sustain a strong economy and reduce poverty and inequality. Councils have a statutory responsibility for planning and delivering education services for children and young people and they do this by working in partnership with other council services (e.g. housing and social services) as well as schools, governing bodies, Children and Young Peoples Partnerships, 14-19 learning partnerships, the further education sector and the Welsh Assembly Government. Many local authorities also have links to the Work Based Learning network of Training Providers.
2. Local government needs to be appropriately resourced to deliver accessible high quality education and training to give children and young people the best start in life and deliver a highly trained and highly skilled workforce. Local government welcome the priority given to education by the Welsh Assembly Government, including the commitment to ensure that any change in education funding is at least one percent above changes to the overall Assembly Budget²¹.
3. However it also must be recognised that pupil attainment is inexorably influenced by a complex and wide ranging set of socio-economic factors including housing, income levels, local environment and economic circumstances. The developing Child Poverty Strategy has a key role to play in tackling these factors in an integrated and holistic way.
4. The extending entitlement agenda for 11 to 25 years olds supports the agendas for inclusion and social cohesion. The role that education plays in promoting citizenship and diverting young people away from crime is significant. The likelihood of future involvement in crime related behaviours is seen to be linked to investment in education according to a small number of studies.²²

Current performance

5. There is considerable evidence that over recent years there has been a widening gap in achievement between England and Wales. Research²³ identifies that achievement amongst 15 year olds in Wales is below the average for OECD countries and below that of England, Scotland and Northern Ireland.
6. These comparisons should be seen alongside the difference in per pupil funding between England and Wales, with pupils in England receiving £527 per pupil more than pupils in Wales²⁴. These data should also be assessed within the context of the

²¹ Time to Lead, Carwyn Jones' manifesto, 2009

²² Outcomes- based Allocation of Educational Resources – Rapid Evidence Assessment – Matrix December 2009

²³ OECD Programme for International Student Assessment (PISA) report, 2006

²⁴ Education Statistics, StatsWales, Welsh Assembly Government, 2009

relatively low levels of GDP in Wales compared with England and many parts of the European Union and the close link between poverty and attainment and achievement in education. The Joseph Rowntree Foundation has recently published research which again highlights and reinforces the impact of poverty on children's educational attainment.

7. Overall the pattern of pupil outcomes at the end of key stages 1, 2 and 3 indicates a generally positive trend. Although concerns remain in particular about the fall off in attainment between KS2 and KS3, particularly amongst the more deprived communities.
8. At Key Stage 4, 57 per cent of pupils achieved 5 or more GCSEs or equivalent in 2008/09 compared with 55.8 per cent in 2007/8. This however, is compared to 70 per cent of pupils in England achieving the same results, an increase of 4.7 per cent from the previous year. The number of 15 year olds in Wales achieving the level 1 and 2 threshold also increased slightly²⁵.

Raising standards

9. Estyn in its most recent Annual Report points to evidence of an upward trend in the quality of leadership and management within Welsh schools. Primary schools received more high ratings than in previous years and in secondary schools saw a significant increase of top ratings, with over a third of schools being evaluated as having outstanding features in leadership and strategic management.
10. Estyn also reported that in secondary schools there was evidence of more outstanding teaching and better standards, especially at Key Stage 4, although the proportion of teaching with major shortcomings remained static. Standards in many areas of the curriculum were generally good. This clearly demonstrates that although standards are improving in schools as evidenced in the Estyn report, this is not being reflected in the achievement of pupils.
11. Local authorities are working to ensure that standards do improve and are engaged with the Assembly Government to embed the School Effectiveness Framework (SEF). SEF is the overarching framework that draws together all the work aimed at improving learning outcomes and well being for all school-aged children and young people. It aims to raise individual achievement and attainment levels, improve the performance of schools and increase the capacity of the local authority Consortia to improve overall service delivery.
12. In addition to the work of the SEF, the 21st Century Schools Programme will enable local authorities to develop an educational estate that is fit to support the delivery of a high quality education system in Wales.

Pupil numbers

13. The 2009 School Census indicated that some progress is being made with the school rationalisation programme with 31 fewer primary schools, 1 fewer secondary school and 2 fewer pupil referral units than the previous year.

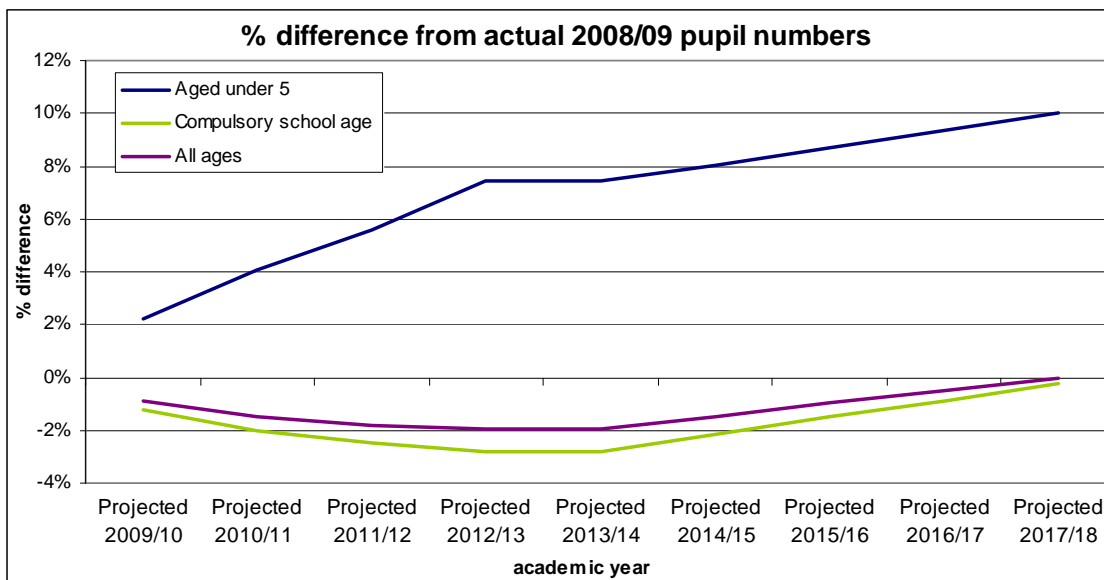
²⁵ Education Statistics, StatsWales, Welsh Assembly Government, 2009

14. This is against a backdrop of approximately 5,000 fewer pupils overall compared with the previous year, 1,500 of those pupils were in the secondary sector. This reduction in pupil numbers is a continuing trend which has been experienced for the last 10 years. There has also been a decrease of 160 in the number of pupils that are receiving statements of special educational needs on the previous year. Although the costs associated with those that have statements continue to increase.
15. There are 220 fewer full time equivalent teachers, while at the same time there has been an increase of 2,100 in support staff (the majority recruited in foundation phase settings). The total number of full time equivalent teachers in 2009 was 28,400 with the number of support staff at 19,100. Overall in 2009, pupil-teacher ratio is 17.5 (the same as in 2008), although average class size in primary schools increased slightly to 24.4.
16. In the meantime the number of post 16 students staying on in school sixth forms or further education colleges is increasing. The latest study²⁶ shows a 3 per cent increase in the number of students staying on at school or college.

Financial and operational risks

Pupil demographics

17. Overall pupil numbers are forecast to decrease by approximately two per cent over the period 2009-10 to 2012-13, however within this the number of under fives is due to increase by six per cent across Wales. However, this pattern is not uniform across Wales, some areas are seeing population increase which includes an increase in the birth rates and also inward migration.



18. The overall trend in pupil decline is partially responsible for the number of unfilled school places in Welsh schools. Figures show that the current total number of unfilled school places is currently over 95,000 which equates to 18 per cent of the total number of pupils in Wales. 30 per cent of schools in the system have significant surplus places

²⁶ Pupil Destinations from Schools 2009, Career Wales

compared to one per cent of schools which are oversubscribed. The range in surplus places between authorities is significant with some authorities having 27 per cent surplus, compared with 11 per cent for others.

19. It is necessary to have some surplus places to give the system adequate flexibility to respond to fluctuations in pupil numbers however, large numbers of surplus places can result in a significant financial pressures but removing school places is not a simple process. It is possible for an authority to implement robust pupil place planning to remove surplus, but still on paper have a high number of unfilled places. It is also difficult to estimate the exact cost of surplus places. In a 1995 publication called *Trading Places*, the Audit Commission estimated that the approximate cost of an unfilled primary place would be £200 and a secondary place £300. Some local authorities have made more recent calculations of the costs of their surplus which have ranged between £4 million for 4,000 places and £3 million for 9,000 places. Such variations will occur due to the nature of each local authority area, for example, if they are an urban or rural area.

Schools' rationalisation

20. Schools' rationalisation is a key factor in maintaining the future sustainability of education in Wales. The school estate in Wales has many buildings that are in good condition, but there is a significant backlog of maintenance work and some schools sites that are not in the best place to serve the population centres. At present, there are too many schools in inappropriate locations, in a poor state of repair and not equipped to deliver teaching and learning in the 21st century. Although there are no current definitive figures available, it is estimated that ensuring that all schools in Wales are fit to deliver 21st century learning would require an investment of £2.2 billion. In order to achieve such improvements in the school estate, a long term investment plan is being developed through the joint Welsh Assembly Government/WLGA 21st Century Schools Programme.
21. The 21st Century Schools Programme is intended to provide a long term capital investment and support programme to deliver educational facilities that are able to provide 21st century learning. At the outset there was an expectation that funding would continue at the level of the previous School Building Improvement Grant but expectations have been revised as public spending forecasts deteriorate. There is a danger however that if investment falls significantly then the programme will fail to be transformational and will be seen as a continuation of the traditional patch and mend approach.
22. In order to assess the current state of provision, a high-level survey of the school estate has been commissioned to establish a full and comprehensive picture of the condition and suitability of school buildings in Wales which will be used to inform future investment decisions. This survey will not however, provide a figure of overall investment needed. Rather, the survey will be used as a tool by local authorities and Assembly Government to plan for future investment.
23. Each local authority in Wales has been asked to submit a Strategic Outline Plan (SOP) which provides a picture of their investment needs for the next ten years. It will be important to agree the handling of these plans lest they undermine the progress of existing schools. The SOP will highlight in some detail plans for the next three years,

with future investment plans to follow. Decisions on allocation of funding will be made according to a transparent set of criteria which will include, information from the estate survey, readiness to deliver, read across to other key educational policies, such as the transformation agenda and the SEF. Authorities will also be expected to seek collaborative projects with other parts of the public sector and local authorities.

24. It is highly unlikely that the quantum of funding available over the course of the next two UK parliaments will be sufficient to fund all the programmes submitted by local authorities. A process of prioritisation will then occur to slot all local authorities into a matrix of funding, which will clearly show when each local authority will be receiving investment and how much funding will be available, in line with their SOPs.
25. School rationalisation and the issue of the condition and position of school buildings has to be addressed or it will not be possible to remove the large number of the surplus places from the system. The significant number of surplus places that are currently seen in Wales can only be dealt with by school rationalisation in conjunction with the long term strategic plan for capital investment provided through the 21st Century Schools Programme. This is a 10 to 15 year Programme and the removal of surplus places should be seen on the same time scale.
26. The closure of schools is proceeding in many areas of Wales however, this work is being hampered by the overly bureaucratic processes involved with school closure proposals and significant delays in decision making. It is the case that because of these delays in process many authorities cannot move fast enough with school rationalisation to meet the demands of reducing budgets. In June, the Minister for Children, Education and Lifelong Learning has announced a review of regulations relating to school organisation processes and has also announced an interim streamlining of processes within WAG.
27. The 21st Century Schools Programme is also a potential vehicle for capital investment in other service areas as well. The Programme will have a key part to play in delivering Assembly Government's Welsh Medium Education Strategy and responding to the demand for Welsh medium provision and more generally the investment programme will contribute to creating a bilingual Wales. The Programme will also embrace all that is wrapped up in the philosophy of community focused schools – including the link with child poverty and Assembly Government's forthcoming Child Poverty Strategy - as it recognises the importance of the relationship between communities and their schools. This relationship also extends to the provision of libraries, leisure centres, arts venues and a range of other public services as the programme seeks to achieve the maximum public service benefit from every pound invested.

Blaenau Gwent for example has located all its leisure centres within its secondary schools so as to maximise the benefit of the capital investment and thereby creating facilities that are more sustainable in terms of revenue funding.

Early Years

28. Delivering the strategy on early years is fundamental to addressing child poverty. The future strategy and funding needs to reflect the importance of providing integrated support for families. While there is a clear link between the condition of school buildings and outcomes, the biggest factors influencing achievement and attainments levels are socio-economic. The link between poverty and achievement in education is widely

acknowledged and initiatives such as the *Foundation Phase* and the work of Children and Young Peoples' Partnerships are focused on addressing the impact of deprivation on achievement and attainment. These are long term strategies and a clear commitment to sustained funding is essential. The extra funding provided for Foundation Phase in the first two years of roll out – an additional £20m in 2009-10 and £40m in 2010-11 – is very much welcomed, but it must be consolidated and further reassurances are needed for future years if the Foundation Phase is to fulfil its potential and meet expectations in this respect. The successful roll out of the Foundation Phase will require a further £15m in 2011-12 and £10m in 2012-13. By that time, all 3-7 year olds in Wales will be taught through the Foundation Phase and the programme will be able to deliver on its promise.

29. The recent decision to preserve the Cymorth Grant as a specific grant itself prevents opportunities to reduce administration costs through mainstreaming the Grant. In addition any proposals to support new programmes through this funding will divert funding away from existing programmes.

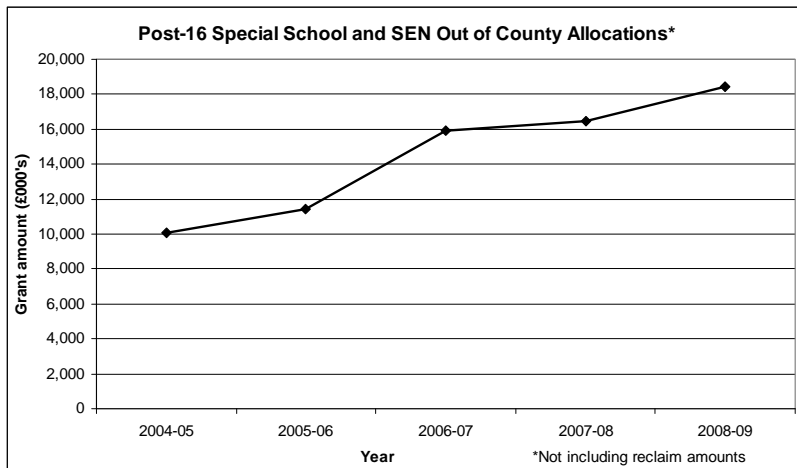
Post 16 Education

30. Evidence shows that the number of students staying on at school or college is continuing to increase. The latest study²⁷ shows a three per cent increase in the number of students staying on at school or college, 82 per cent compared with 79 per cent in 2008. Since 2005 the number of students staying on has increased by 7 per cent. Of the 223 secondary schools in Wales 169 have lessons for pupils at years 12 and 13, which is 18,062 pupils across Wales.
31. The study also showed that the number of young people not in education, employment or training (NEETs) has dropped from just over 7 per cent to under 6 per cent in Wales. This is against a backdrop of the post-16 grant allocation, which is struggling to keep pace with the increase in demand. For 2009-10, the mainstream sixth form allocation increased by 0.74 of one per cent, though larger increases had been made available in previous years. The size of this increase was less than had been anticipated by the school sector and meant that some schools had to revisit and reduce their planned budget proposals at short notice, placing a greater pressure on total school budgets.

Post 16 SEN

32. The evidence shows the continuing increase in the costs of providing for post 16 SEN. £20,208,969 was allocated in 2009-10 to local authorities for post-16 SEN and out of county placements, in 2010–11 that allocation has risen to £20,494,126 in order to meet the demand.

²⁷ Pupil Destinations from Schools 2009, Career Wales



Employment costs

33. Chapter 3 of the ESG report deals with pay and price pressures across local government. Included within that is recognition that teachers and teaching assistants account for the majority of the expenditure on schools. Pay is negotiated on a national basis and in the case of teachers the final year of the existing pay deal already introduces an additional cost on the 2011-12 financial year.
34. There are significantly increasing costs arising from redundancies with an increasing level of compulsory. This is often costly. Some local authorities, for example Swansea, have a voluntary agreement with schools on redeployment but current legislation does not enable formal arrangements. Greater flexibility within the legislation would allow local authorities to redeploy staff between schools and also potentially between authorities.
35. Other authorities provide early access to pension without enhancement allowing early retirement and then replacement by a newly qualified teacher (NQT) which for a secondary school can create savings of around £12,000. Co-operation between schools and federations of schools is also being promoted to reduce management overheads and staff management strategies are being developed to work with schools to reduce impact of redundancy; co-ordinate early retirement; and deploy Newly Qualified Teachers.

Better Schools' Fund

36. The Welsh Assembly Government reduced the funding available in 2010-11 through the Better Schools Fund (BSF) by 30 per cent. This was a cut of £7 million on 2009-10. Since it was introduced in 2004, the BSF grant has provided more than £240 million for Continuing Professional Development (CPD) and innovative approaches to teaching and learning. While the CPD review and rationalization of funding that is currently being undertaken is to be welcomed, consideration must be given to the impact of such a funding cut on flagship projects such as the Foundation Phase, 14-19 Learning Pathways, KS2 transition and school improvement which are so reliant on pedagogy and the continuous development of the workforce. Many schools have come to rely on the extra funding, for a range of uses, provided through BSF and are struggling to deal with this cut.

Other One Wales Commitments

37. Other specific One Wales commitments yet to be implemented, which have significant cost implications include a guaranteed right to education and accredited training up to eighteen; the establishment of a Welsh for Adults Unit; universal affordable child care for two year olds with greatest need; more resources for physical education in schools.

Opportunities to mitigate the risks

38. In order to properly address the extremely difficult decisions that will be required, it is vital that there is a common understanding of the levels of savings required and a shared view of the priorities for future funding.

Review of education administration

39. The recent report on the cost of administration within education in Wales prepared by consultants PriceWaterhouseCoopers identified key opportunities for firstly simplifying governance through rationalising and streamlining the structure of grant schemes. The current level of specific grants in education is inefficient and that progress is needed on reducing the number of grants and the amount of funding delivered through specific grants. The principle of grant rationalisation is firmly embedded in the agreements between Assembly Government and local government in the *New Understanding* and on *Outcome Agreements*.

40. Secondly standardising and sharing provision through the development of more regional consortia sharing educational support and schools forming clusters to share resources and facilities. These opportunities would assist in releasing resources from administration to provide additional capacity for front line delivery.

41. The Report highlights real and specific opportunities to improve efficiency and the recommendations of the Report will now be taken forward with "purpose and urgency".

Joint working and collaboration

42. Cross local authority, and other public services, delivery in areas such as translation, use of data, school improvement and music services are being delivered or developed across Wales. There are also opportunities to reduce overlap across some services in local authorities such as ICT where joint procurement, renegotiating broadband deals could occur.

43. The pace of local authority collaboration in education has picked up over the last 6 months. Examples of the numerous collaborative projects being developed and implemented across Wales are provided in annex 1.

The collaborative work on education ICT being developed across Monmouthshire, Newport and Torfaen. A shared approach to ICT could see state of the art equipment being used in schools at a modest cost, for example £800,000 to place in an existing secondary school and £2.5 million ICT costs for a new secondary school. The running costs per unit of such a shared system are very low. There are revenue efficiency savings that can be realised through a new approach to teaching that could see a number of groups of pupils being taught through the system or pupils engaging in self-directed learning.

44. There is also significant collaborative working on the delivery of CPD and the school effective framework training which is enabling the funding that is available to go further. In addition there are some emerging cross-local authority appointments to senior posts and amalgamation of posts following retirement, for example in Carmarthenshire and Merthyr Tydfil.

Use of reserves/balances

45. New regulations coming into effect from 2011-12 will provide local authorities with the power to direct a school to spend excessive surpluses or to reclaim and recycle the money. This will encourage more effective use of school reserves.

Strategic Context

1. There has to be a real doubt as to the financial and operational sustainability of social services in many parts of Wales given the demographic and other influences upon the demand for these services. However, councils across Wales share the Welsh Assembly Government's vision of social services, which are "strong, accessible and accountable, in tune with citizens' and communities' needs and promote social inclusion, citizens' rights and good outcomes"²⁸. We also share the belief that "whatever their difficulty or impairment, people should be supported to have control over the life they wish to live."²⁹
2. Councils have a statutory obligation to protect and support vulnerable children, families and adults as well as to promote well being, social justice and community safety. As such, social services cannot operate alone, but need to continue work within councils with internal partners such as housing, leisure and transport, and outside bodies including the NHS critically and the third sector. In this way, councils continue to deliver their statutory responsibilities and local priorities as well as playing a crucial role in reducing the demand on other key services such as the NHS, police and the criminal justice system.
3. In 2008-09 Welsh councils spent £1.35 billion³⁰ providing social services to around 82,000 people across all age groups. Of that £485 million was spent on the over 65s, £445 million on those with disabilities or mental health needs and £378 million on children and families. Staff costs accounted for more than half the total expenditure, with councils employing 27,300 social services staff³¹. By comparison the total health and social care budget was £5.5 billion, of which less than £100 million was allocated to social care. Over the 2007 Spending Review period the annual health revenue budget has increased by £439 million, an increase of 8.4 per cent and nearly as much as local government spends on the over 65s in one year³². Total social services funding grew by 6.6 per cent over the same period³³.
4. While health expenditure is funded entirely by the Welsh Assembly Government social services expenditure is financed through central government resources (including Revenue Support Grant, specific grants and state benefits) and local resources (including council tax and money raised through fees and charges). There is also some joint funding with the NHS. As a result the recession has an impact of social services as demand for services increase while the ability to raise income from council tax and fees and charges has diminished.
5. Councils are facing unprecedented growth in social care costs due to unstoppable demographic growth, increased citizen expectations, complex family structures and increasing numbers of people with long standing and complex disabilities. The ageing population is a challenge for whole councils, not just social services

²⁸ Fulfilled Lives Supportive Communities, Crown Copyright, February 2007

²⁹ *ibid*

³⁰ Revenue Out turn Returns, Local Government Finance statistics, Welsh Assembly Government

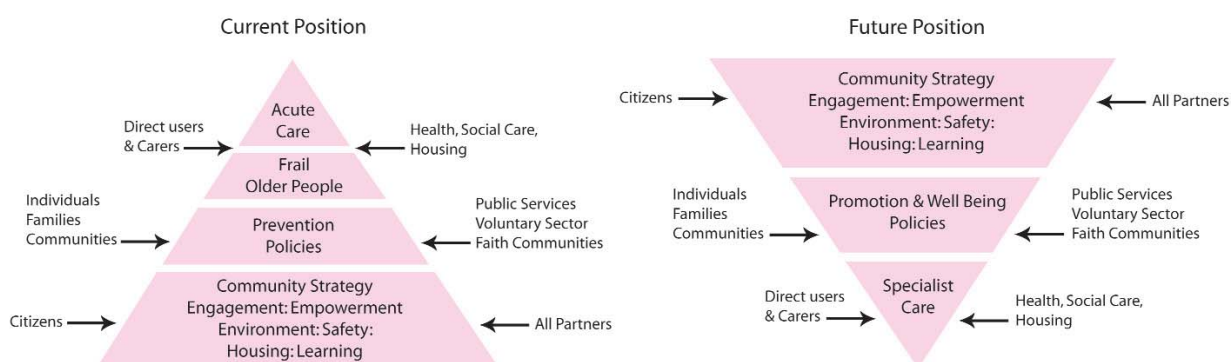
³¹ There are many more employees in the social care workforce in the voluntary and independent sector, but the exact numbers are not available.

³² Welsh Assembly Government budget statements and Revenue Out turn Returns, Local Government Finance statistics, Welsh Assembly Government

³³ *ibid*

departments as well as other parts of the public sector involved in housing, health and community safety. Between 2010 and 2015 we expect the overall population of Wales to grow by 2.5 per cent, or 77,000 people, 20,000 of whom will be over pension age³⁴. If care costs simply increase with the population we could see social care costs nearly doubling by 2026³⁵.

6. At the same time the demands on children services are increasing and councils are facing years of funding constraint. We are already seeing a reduction in specific grants such as Cymorth and the Joint Special Working Grant. The challenge is almost overwhelming. This report highlights social services pressures of £170 million alone in 2011-12 and a reduced baseline will just exacerbate that situation. Authorities across Wales are driving out efficiencies and seeking to transform services in collaboration with the NHS and other partners, these actions will not be enough to bridge the funding gap. The result will be a reduction in some services and pressure elsewhere in the system, particularly the NHS, all of which will make achieving the outcomes in paragraph 1 above increasingly difficult.
7. The key challenge in social care over the next Spending Review period for the Welsh Assembly Government and councils will be to protect and maintain strong social services. The NHS and social services are mutually dependent in achieving the outcomes for citizens and neither will manage in the next period if one fails. We need to recognise the equal value of social care and health services and ensure that our policies and funding are pulling in the same direction to support independent living, prevention and early intervention. Prevention and early intervention undoubtedly improves the life experience of citizens and there is a financial case for investing more in these services. For example, research indicates that the average cost to the state of a fractured hip is nearly £30,000, nearly five times more than average cost of a major home adaptation and one hundred times the cost of fitting handrails to prevent falls³⁶. Similarly, the recent report on mental health investment³⁷ indicates that spending on leisure can improve well being as well as delaying care costs for other service users. This approach is endorsed by the Audit Commission and the Wales Audit Office, who have used the inverted triangle of action³⁸ below to demonstrate the system change that is needed.



³⁴ Population projections for Wales 2008-2033

³⁵ Under Pressure, Audit Commission, February 2010, p11

³⁶ Better Outcomes, Lower Costs, University of Bristol, 2006

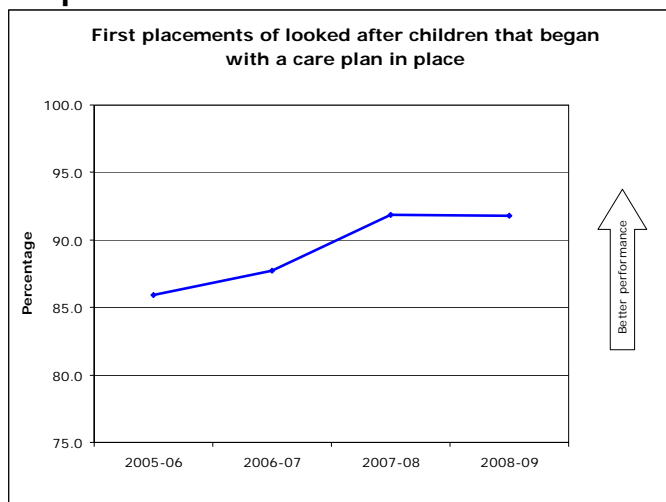
³⁷ Promoting Mental health and preventing mental illness: the economic case for investment in Wales, All Wales Mental Health Promotion Network, October 2009

³⁸ All our tomorrows, inverting the triangle of care, Local Government Association and Association of Directors of Social Services, October 2003, page 9

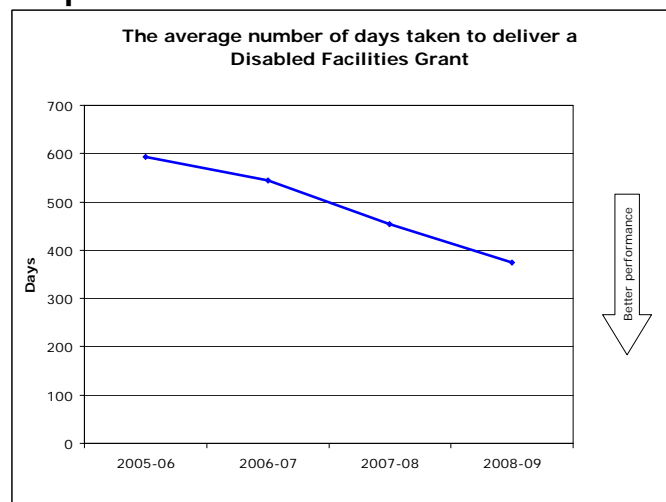
Current Performance

8. "The performance of local authority services shows continued improvement" according to the Care and Social Services Inspectorate for Wales (CSSIW)³⁹. Despite concerns in some areas the CSSIW says "there is no doubt that the overall baseline of performance has been raised". Of the government performance indicators comparable with 2007-08 and 2008-09 64 per cent show improvement.
9. In 2008-09 there were 43,000 referrals to children's services, each case unique and complex. It is a testament to social services that 95 per cent of referrals saw a decision processed in one working day, compared to 93 per cent in 2007-08 and 85 per cent in 2006-07.⁴⁰ On 31 March 2009 there were 4,705 children looked after by local government in Wales⁴¹, of which only 205 were in a residential setting, while 4,115 were cared for within families or by foster carers and the rest were being placed for adoption. Despite the numbers of Looked After Children increasing, there has been a significant improvement in the number entering council care with a care plan in place as shown in Graph 1. At the same time the percentage of children experiencing more than three placements in a year has fallen to below 10 per cent compared with 13 per cent in 2005-06.
10. Graph 2 shows the improvement in the average number of days to deliver Disabled Facilities Grant funded home adaptations, which help older people to live independently for longer. There is real concern that reductions in capital funding could impact on these grants which would impact on the outcome for individuals and could have a knock on implication for Delayed Transfers of Care (DTC).

Graph 1



Graph 2



11. Improvements are also being seen at the interface between the NHS and social services. In 2008-09 for example the rate of people waiting for hospital discharge for social care reasons (DTCs) fell to 6.2 people per thousand of the population aged over 75, compared to 9.5 people in 2006-07. This improvement has delivered a genuine saving to the NHS - in 2006-07 a DTC was estimated to cost the NHS

³⁹ Care and Social services Inspectorate for Wales Annual Report 2008-09

⁴⁰ 2008-09 Local Government Performance Statistics, Local Government Data Unit

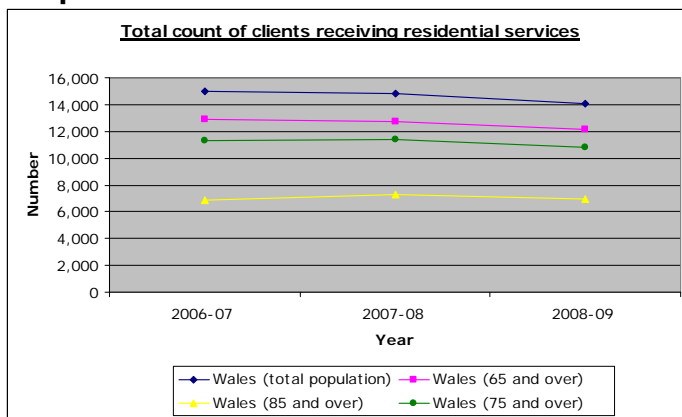
⁴¹ ibid

£258 on average each day⁴².

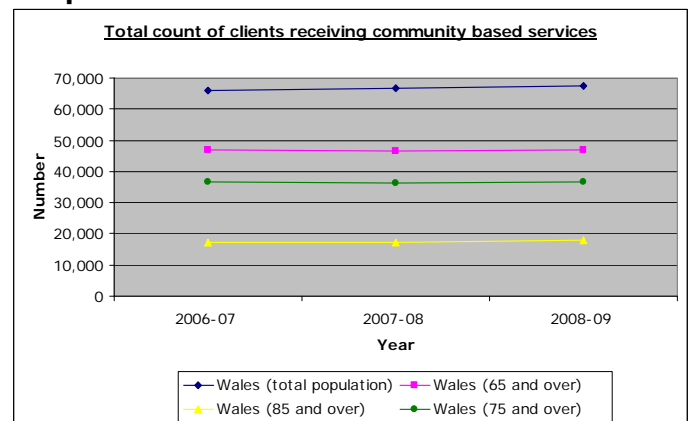
12. Graph 3 shows that the total number of clients receiving residential services in 2008-09 was 14,000, a reduction of a thousand since 2006-07 and within that the age profile of clients has shifted from over 65s to over 85s. Similarly, graph 4 shows that the number of clients receiving community based services has increased by 1,300 over the same period, with the greatest increase again in the over 85s.

13. Although the number of clients has been broadly static, Graph 5 shows the cost of providing these services has risen from £558 million in 2001-02 to £935 million in 2007-08, an average of £93 million per annum. The additional costs are due to the increasing complexity of the care packages that authorities have to provide. As a result of this increase in costs the majority of Welsh councils are now only able to offer care and support for those deemed to have substantial or critical needs.

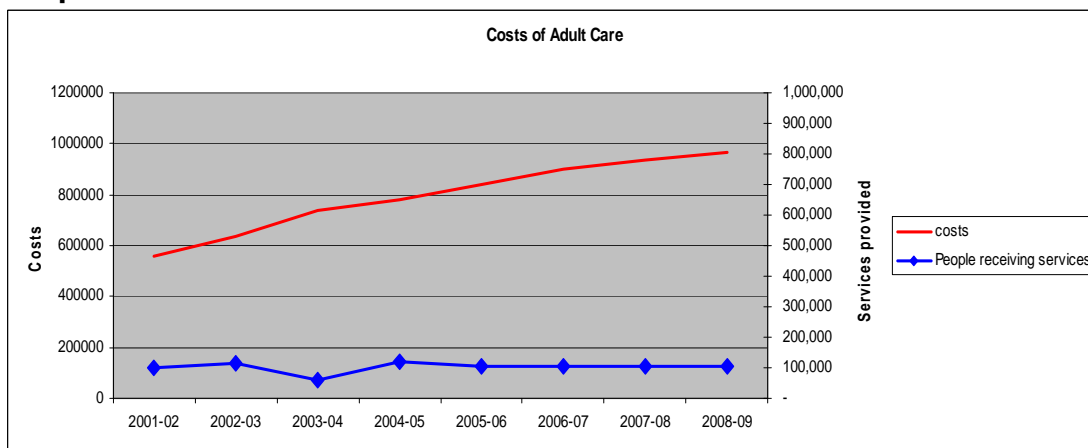
Graph 3



Graph 4



Graph 5



Efficiency and collaboration

14. Councils across Wales have been engaged in a wide variety of collaborative activities to deliver improved services and reduce costs and a detailed schedule of

⁴² Tackling Delayed Transfers of Care Across the Whole System, Wales Audit Office, 2007

some of these is attached at Annex 1. The measures range from joint appointments to collaborative commissioning and integrated service provision. Local authorities continue to recognise the imperative to integrate social services for children, families and adults with other internal services such as housing, education, early years and youth justice services, as well as collaborating with other councils and organisations such as the NHS.

'Happily Independent' is a programme being developed by the five local authorities in the former Gwent county boundary and the Aneurin Bevan Local Health Board. Its aim is to create an integrated community based model of care. It is person centred and seeks to build on existing core services, fill service gaps and provide frail people with seamless services. It is an approach which follows a continuum of care from prevention and low level social care intervention through to long term and Continuing NHS Healthcare. It will be fully implemented by the end of 2010-11.

Key Financial and Operational Risks

15. In 2009-10 the social services net current revenue budget is £1.37 billion⁴³, but the Association of Directors of Social Services (ADSS) Annual Budget Survey reveals a net over spend⁴⁴ for 2009-10 of £23.2 million across Wales: £9.1 million for adult services of which £5.3 million was in respect of learning disability services and £17.1 million for children services. While this reflects the trend in the relative pattern of spend in Wales, which in the last decade has shifted in favour of children and younger adults aged 18-64 relative to the over 65s, the over spend in children's services in 2009-10 is more than three times that of 2008-09. In just one year the over spend has almost trebled, demonstrating the pressure that social services are under. The key pressures in this area are the cost of providing fostering services and agency placements as well as the increased costs of social workers.
16. Against that background it is self evident that reduction in central government funding for social services would be devastating for councils – a three per cent reduction to the 2010-11 budget would take 2011-12 social services spending to below 2008-09 levels, while demand for these statutory services will continue to grow unabated.

Demographic and Inflationary pressures

17. We expect there to be 20,000 more people of pension age in Wales by 2015 compared to today. There could also be 125,000 more people with chronic conditions by 2016 according to forecasts⁴⁵ and all these individuals will require social care services.
18. At the same time as demand is increasing the cost of delivering social care has experienced significant inflation over recent years as evidenced in the 2009 ESG Report⁴⁶. Future costs will depend on future levels of inflation, but based on an

⁴³ Local Government Finance Statistics, Budgeted Revenue Expenditure, StatsWales, April 2010

⁴⁴ Gross over spend is £26.2 million, but this is offset by £3 million under spend on other budgets

⁴⁵ Welsh Assembly Government Statistics Department, based on ONS 2006 sub-national population projections and Welsh health Survey Data Sets, 2008

⁴⁶ ESG Report 2009, Welsh Assembly Government and Welsh Local Government Association

average of independent forecasts for GDP in 2011-12 social services spending would need to increase by around £20 million just to take account of price inflation.

Service Pressures

19. There are increasing numbers of individuals (adults and children) with a **learning and or physical disability** with more complex care needs than in the past. The costs of care are also increasing as councils see more high dependency and complex cases, particularly on transition from children to adults. Demand is also growing as the carer population ages and this can be seen from growing pressure on respite care services. Packages of care based in the community are often more expensive than residential services, but enable individuals to maintain their independence in line with national policy objectives.

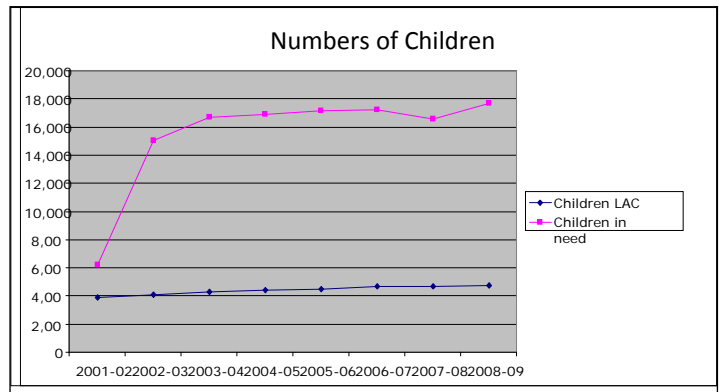
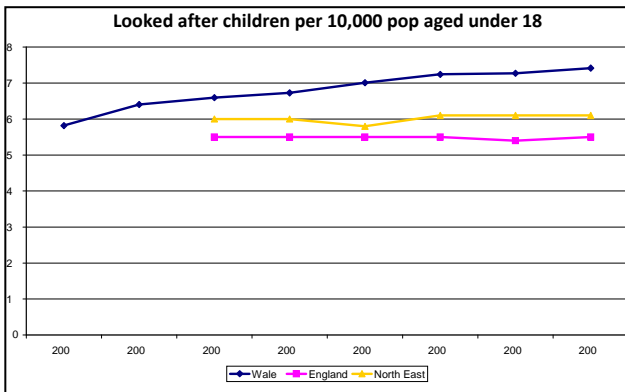
Claire is a young woman with severe learning disabilities, some mobility difficulties and epilepsy. She lives with her grandmother (who is her sole carer) and attends the local special needs' school. Claire is in the transition process to Adult Services and until now has been supported with daily home care assistance, regular respite and extra support in school holidays. Unfortunately Granny has her own health problems and has found it increasingly difficult and stressful caring for Claire in recent years and the relationship between the two has suffered. A multi-disciplinary team of professionals has worked with the family and the family has decided Claire needs to establish her independence. The Council has assessed the most suitable placement is a small group home for individuals with a learning disability. Claire will probably require this level of care for the rest of her life. The cost is £65,000 pa.

20. **Learning Disability services** have, year on year, experienced overspends and in 2008-09 this was £4.5 million compared to £8.4 million in 2006-07, due to improved commissioning of services and containing the additional demand. Authorities have also improved the balance of care through the use of the third, independent and private sectors. Smarter commissioning with better negotiation of price for care is being developed through regional commissioning consortiums and high cost packages of care are being reviewed. The CSSIW Chief Inspectors' report 2007-08 also highlighted improved commissioning and movement towards a better balance of care.
21. There are currently more than 37,000 people with **dementia** in Wales and this number is set to rise to 45,000 by 2020. Already across the UK £17 billion is spent annually supporting people with dementia and that will increase as numbers grow. Councils expect to see higher demand on community based services, including mental health and social work teams. Anecdotal evidence from SE Wales indicates a significant increase in the number of people being placed in a general residential/nursing care setting with a diagnosis of dementia being classified as "placed out of category" following CSSIW inspections. This may be because their physical needs outweigh their mental needs at admission or because they develop dementia after admittance. Currently neither the services nor the market is configured to respond to the forecast growth in dementia cases which will involve shifting the balance of provision to more specialist Elderly and Mentally Infirm (EMI) settings. This will take time and will have significant financial implications as EMI settings are more expensive due to the increased staffing ratios required.

22. **Agency placements** (both with and outside the local authority boundary) are generally the most volatile area of children's services budgeting with a single placement potentially costing upwards of £200,000 per annum. As in 2008-09, these costs have contributed significantly to the social services over spend in 2009-10. Failure to maintain and further invest in children's social services will result in longer term demands on the welfare system, lead to more young people failing to achieve their full potential and potentially find their way into the criminal justice system and the consequent costs to the public sector.
23. Total net revenue spending on **children's and families' services** grew from £179 million in 2001-2 to £379 million in 2008-9, an average annum increase of £28.6 million. The 2009 ADSS budget survey indicates that the greatest financial pressure in children's services are the cost of agency and fostering placements; increased costs of social workers and legal costs associated with care proceedings. Out of county placements are generally the most volatile area of children's services expenditure. In 2008-09, of 3,632 placements into foster care, 1,041 were outside the local authority area. The cost of visiting and supporting children placed out of area is higher and making arrangements for health and education support is more time consuming. Councils are moving to more collaborative commissioning of placements and the use of the Children's Commissioning Support Resource should assist this work.
24. Whilst there are potential savings, the need to provide more consistent support for children in care and to improve outcomes must be the primary objective if the cycle of poor outcomes, deprivation and child poverty is to be broken in Wales. As such **safeguarding vulnerable children** will continue to be a priority for all councils. The year ending 31 March 2009 saw a 9.4 per cent increase of referrals of children to local authority social services, compared to 2008. The recent high profile Serious Case Reviews in England and Wales and an increasing focus on families where there are children at risk is likely to maintain these high levels of demand on children's social services.
25. As graph 6 shows, Wales' rate of **Looked After Children (LAC)** has been on a long-term upward trend (average 1.5 per cent each year) in contrast to England where it has remained stable for some years, having started from the same point a decade ago. Of great concern is that only 45 per cent of care leavers in 2008-09 were in education, employment or training, compared to nearly 65 per cent in England. The Wales percentage has fallen in recent years, suggesting pressure elsewhere is drawing resource away from support services for care leavers.

Graph 6

Graph 7



26. Graph 7 shows the number of **Children in Need** in Wales. These include LAC and Care Leavers, children with a long term limiting illness or disability and children who are at risk of harm. The majority of children in need and receiving social services support, some 18,000 in 2008-09 remain with their immediate or wider family, although some may be in residential schools, health settings or the Youth Justice system. These children often have poor educational outcomes and are more likely to be excluded from school than LAC⁴⁷. There is also some evidence that the educational attainment of LAC may be better than for children in need who remain with their families. There are strong links between the number of children in need and levels of deprivation in an area. Merthyr Tydfil has the highest rate of children in need at 320 per 100,000, compared to an average rate for Wales of 192. Additional support is needed for these children to enable them to fulfil their potential and to stay with their families. These figures make a compelling case for the need for greater investment in prevention and early intervention.

27. In 2008-09 331 people were assessed for services as **substance mis-users** (including those suffering from conditions related to alcohol misuse). The NHS and social services work together to support these individuals, but the costs per case are significant, putting services under pressure. The case study below highlights the issues.

Angela is a 35 year old mother of a teenage daughter, estranged from her partner. She has a dual diagnosis of serious mental illness and a long standing amphetamine abuse problem. Angela has had numerous long stay admissions to a psychiatric unit, generally detained under the Mental Health Act 1983. Following the last admission there was a request from the multi disciplinary team for consideration of a substance misuse rehabilitation placement. Due to the complexity of her co-occurring issues, only specialist placements were identified as being equipped to effectively meet the identified needs. These placements were inevitably out of area and would cost around £2,800 per week. However, because Angela did not want to go out of area an alternative intensively resourced community based solution was put in place for a weekly cost of less than £1,000 per week.

28. The delivery of the **Integrated Family Support Teams (IFST)** and the provisions in the **Children and Young Persons Act 2008** will present a major challenge for social services over the next three years. The shift towards earlier preventative action in an integrated way through the IFST is welcomed; however

⁴⁷ Children In Need Census 2009, Local Government Data Unit

the change transformation and the bridging of children and adult service will present a major challenge. Taken together with the transformation of the core social service functions of care management, placement and review required under the 2008 Act all of this may not be achievable in its full form in the current climate.

Workforce pressures

29. At this point it looks likely that there will be a pay freeze across the public sector in 2011-12 and 2012-13. That said councils will have to **pay increments** to their staff in this period and many are also in the process of implementing **new pay and grading structures and Equal Pay compensation**. **Employers' pension contributions** are also expected to increase over the next Spending Review period. These pressures are dealt with in more detail in Chapter 2 of the ESG report.
30. The people who work in social services are the sector's most important asset. We need to ensure the social care workforce is prepared and equipped for the challenges ahead. We will need a diverse workforce to deliver the new models of service while retaining social work as a highly trained and skilled occupation. In terms of **workforce development** social services is yet again the poor relation to the NHS. While the £12 million Social Care Workforce Development Programme⁴⁸ is starting to show positive returns it is a drop in the ocean compared to the £295 million spent each year on workforce development in the NHS. As budgets reduce there is a real concern that investment in workforce development and training will be seen as an easy cut.
31. There is a mixed picture in terms of the social care workforce. 95 per cent of social work graduates from Wales go on to work in Welsh councils and the demand for places on social work courses continue to rise. Vacancy rates for social workers⁴⁹ (adult 7.7 per cent) and children services (9.8 per cent) have improved but remain a challenge. The key pressures are on children and families services, where many social workers are relatively inexperienced and need the support and supervision of experienced, highly skilled social work managers. We must now focus on post qualification training of social worker managers to help them develop specialist skills to engage and intervene with families and be leaders in mentorship of practitioners. The proposal to develop a role of *Consultant Social Worker* is a positive move to address the skills gap but investment will be needed to make it a reality. In England an additional £200 million has been made available for children and adult front line social workers, their training and support. A Barnett share of this funding would equate to £11.8 million. The Continuous Professional Learning (CPL) requirements of the qualified social care workforce alone are in the order of £3 million across Wales. In addition the new All Wales programme to provide post Graduate Team manager training for all front Line Team managers needs funding, involving 900 plus managers and senior practitioners across Wales at a cost of approximately £750,000 per annum.

⁴⁸ CSSIW Annual Report 2008-09, p 60

⁴⁹ LGDU – March 2010 - Social Work Workforce Planning (SWWP) baseline year 2008-09

32. In 2008-09 only 27 per cent of staff providing domiciliary services for children had the required or recommended qualification⁵⁰. In the same year, of staff working in residential services for people aged over 65, only half were suitably qualified. The introduction of compulsory registration for residential child care managers⁵¹ to meet required qualification has been a catalyst to increase skills in the residential care workforce. As of December 2008 64 per cent of registered managers and 50 per cent of registered care staff held the required qualification. Skilling up foster carers also remains a challenge.
33. In older people's services there is a considerable challenge to **upskill the domiciliary care** workforce to deliver improved re-ablement services in line with national policy objective to help people live independently. There are real long term savings here both the for the NHS and social services as individuals become independent again, but training to create re-ablement workforce is estimated to cost around £500,000 per annum across Wales. The costs are similar for training the workforce to deliver Direct Payments.

Asset and quality costs

34. Authorities are now developing re-ablement services, which reduce dependency and assist individuals to maintain full potential for independence thus reducing the call on social care and health services. Re-ablement is about supporting people to learn the skills needed for day to day living such as dressing, cooking and eating. The service is often targeted at people who have just left hospital and involves a short period intensive support. There are real savings to be made from investing in re-ablement and telecare and they should be seen in tandem. Products like falls' detectors, bed occupancy sensors and gas detectors have the potential to reduce the incidence of problems associated with elderly and disabled people living at home. North Yorkshire County Council for example is saving £1 million per annum on residential care costs by investing in telecare.⁵² The six authorities in North Wales are developing a telecare project currently.
35. The greater focus on citizen centred services and the move away from input and output measures to an outcome focused approach is welcomed and enables local authorities to adopt a more holistic approach to dealing with the needs of individuals. The inter-dependencies between core services become more transparent when the whole needs of a person are considered. Education for example can play a vital role in supporting vulnerable children while social services plays a crucial role in supporting families to encourage an environment in which children want to learn.
36. Councils are increasingly using unit cost data and benchmarking to identify unit cost comparison and priorities for short term change and cost reduction as recommended by the Audit Commission⁵³. Better data information provides evidence of where change is needed. An example of this is the need for an online national database on the social services workforce, currently being sought by the

⁵⁰ To be inserted

⁵¹ Towards A Stable Life and Brighter Future, WAG , 2007

⁵² Under pressure Audit Commission

⁵³ Under Pressure, Audit Commission

Care Council for Wales.

37. As part of their strategies for older people councils are reducing the number of council owned residential care homes and investing in Extra Care Schemes (which provide valuable supported independent living), but the reduction in capital funding and a lack of capital receipts will make such schemes more and more difficult in the next period. This is a key example of why we need to ensure that policy and financial arrangements are in place to enable new models of service to be developed and delivered allowing for a period of inevitable dual running.

Contract and transactional pressures

38. Independent care fees have been a pressure on social services budgets for many years and are always high on the list of pressures in the ADSS Annual Budget Surveys. Both local government and the NHS are dependent upon a robust high quality and sustainable care sector which increasingly will be catering for EMI/ dementia care and fee levels will have to reflect the quality and professionalism of the care provided. Over 85 per cent of residential care for adults and 75 per cent for children is now met by a network of over 3,000 care homes in Wales. This in itself is a challenge as local government has to manage a complex marketplace. In recent years the average annual increase in care home fees has been 5.6 per cent. The fee increases are a result of improved service quality and legislative requirements placed on the sector as well as their need for profit. For 2010-11 the current forecast on average to be at least 5.25 per cent, equating to a pressure of £15 million. The pressure is likely to be similar in 2011-12.
39. There are real opportunities for improving the value for money from procurement of goods and services and there are already examples of good practice across Wales.

SEWIC has set up a Children's Commissioning Unit (involving the 10 SE Wales councils) to improve outcomes for Looked After Children and to achieve better value for money and to increase placement choice. Working together collaboratively has already enabled the councils to achieve over £600,000 of savings in terms of anticipated costs avoided, using an Individual Placement Tendering Process (IPT) to procure placements based on outcomes and achieving value for money.

40. Councils are looking at the balance of services they provide, procure and commission as well as those delivered in partnership with others from the same or different sectors. Collaboration has a key role to play in this area. In the future councils should remain both purchasers and providers of services and they should actively seek to shape the mixed market of private, public and voluntary care. Holistic commissioning for children or families, such as that seen in the Integrated Family Support Services pioneers is likely to become more prevalent.

Conclusion

41. Faced with the demographic reality and the public expenditure outlook, local government is very aware of the need to reduce costs and to improve social services and outcomes further. Delivering '*Fulfilled Lives, Supportive Communities*' will require national and local leadership and transformational change in health as well as social care. Transformational change will be difficult and will require resolute political, professional and managerial leadership over a number of years. Transformational change depends on investment in new service models. We need to look across functional boundaries within and without local authorities, focusing on prevention and delivering citizen centred services, collaboration and strong performance management. Services need to be rebalanced towards prevention and earlier intervention, rather than simply concentrating on those with the most intense needs.

42. Research from the University of Bristol⁵⁴ identified four types of value for money improvement in health and social care:

Strategy	Actions
Spending is no longer needed or is reduced	Prevent need Encourage self-support Increase charges for service users Tighten eligibility criteria
Spending that would otherwise have been incurred is prevented	Reduce or delay need Support carers Support active ageing and community development
Wasted expenditure is prevented	Improve service commissioning Redesign processes Remove duplication Maximise income recovery
Better outcomes are achieved for the same or less expenditure	Collaborate Target spending on the things that older people value most Develop community resources

43. Councils across Wales are proactively seeking opportunities in each of these areas as evidenced through this report and the annex, but with £170 million pressures in the system, the achievement of further efficiencies and reform in social care will not be achievable if budgets are cut while growth in demand continues.

⁵⁴ Better Outcomes, Lower Costs – Implications for health and Social care Budgets, University of Bristol, 2007

7 Waste Management, Sustainability, Climate Change

Strategic Context

1. Continued investment in waste management is vital if Wales is to achieve its aims of sustainable development and One Planet Wales living. One Wales commits the Welsh Assembly Government to improve targets for recycling, and introduce legislation and support for better waste management. During 2009-10 we saw a number of important developments, which consolidate the situation reported in last year's ESG report:

- the Towards Zero Waste (TZW) strategy has been finalised with the 'headline' proposals unchanged, including the target of 70% recycling and composting to be achieved by local government 2024/25, as part of a move towards more sustainable waste management (contributing to efforts to generate green jobs and helping to make Wales an energy efficient, low carbon and low waste society, in line with 'One Planet living' promoted in the Assembly's Sustainable Development Scheme and emerging Climate Change Strategy)
- Work is underway on the production of an accompanying Municipal Waste Sector Plan which will seek to drive the changes required to achieve TZW
- the Welsh Assembly Government has received approval for its Environmental Legislative Competence Order which confers legislative powers on the National Assembly for Wales (NAW) to make Measures (i.e. laws) in relation to waste, pollution and nuisance.
- A Waste Measure has been introduced that sets **statutory** targets for local authorities on the percentage of municipal waste to be recycled, prepared for re-use and composted as well as making local authorities liable to pay penalties in the event that they fail to meet these targets. The proposed Measure also enables the Welsh Ministers to establish other targets in relation to the prevention, reduction, collection, management, treatment or disposal of waste; and impose penalties for non-compliance with such targets.
- There has been substantial progress in terms of procurement of waste treatment facilities for both food waste and residual waste, with authorities acting collaboratively via a number of hubs (for food waste) and consortia (residual) – see box below. Inter authority agreements are being agreed and individual authorities are looking in detail at the financial requirements / affordability issues associated with these joint arrangements as they develop Outline Business Cases. The impact on other services of increasing costs of waste service provision is a fundamental consideration.
- The approach being taken to the financing of facilities is a largely revenue-based one. An increase in revenue funding from WAG to support local authorities, which sees **Sustainable Waste Management Grant** increasing from £59 million to £73 million next year is vitally important in this respect. However, in

addition, £26 million of has been provided from the Strategic Capital Investment Fund (SCIF). The SCIF allocation will support the procurement and capital funding of AD facilities and is conditional upon reaching the appropriate commercial and legal agreements needed to deliver these schemes.

Waste collaboration

North Wales (Anglesey, Gwynedd, Conwy, Denbighshire and Flintshire) - OJEU notice planned for May leading to a PQQ process in September. Final tender process to be completed by November 2011 with Full Business Case (FBC) expected to receive WAG approval in June 2012 towards a contract award in January 2013.

Mid Wales (Ceredigion and Powys) - has had representations from the market and is arranging a market consultation event

South West (Pembrokeshire, Carmarthenshire, Bridgend, Swansea and Neath Port Talbot) – soon to submit a separate Project Initiation Document (PID) for residual waste treatment

Heads of the Valleys (Torfaen and Blaenau Gwent) – following the progress of surrounding procurements to assess their options together

Tomorrow's Valley (Merthyr Tydfil and Rhondda Cynon Taf) – progressing their food waste and residual waste treatment via a combined contract and an interim FBC is being finalised to submit to WAG's Waste Procurement Programme Office for review

Prosiect Gwyrdd (Cardiff, Monmouthshire, Caerphilly, Vale of Glamorgan and Newport) – pre-qualification submission phase ended in January and short listing taking place followed by commencing of dialogue. Still on schedule for a start on construction in 2012 and commissioning in 2015.

Wrexham already has its waste arrangements in place as a result of its PFI contract.

- Furthermore, there will be additional financial support to help local authority consortia procure energy from waste capacity for non-recyclable residual waste as set out in a letter from Rhodri Morgan to Cllr John Davies in January 2009. This confirmed an offer of financial support to all waste partnerships to fund up to 25 per cent of the net additional gate fee for waste treatment facilities that meet the business case criteria. Whilst welcome, it does mean that local authorities have to find at least 75 per cent of the net additional gate fee.
2. It is recognised that the pressure on budgets will increase in the coming years, with the possibility of 'negative growth' rates being applied to the SWMG. WAG is therefore already stressing the need for waste services to find efficiencies as a way of ensuring the overall resources available to them are adequate to meet requirements over the coming years. (Consequently, identification of opportunities for efficiency savings will form a vital part of the WLGA's Waste Improvement work programme). The use of 'pay as you throw' charging of residents as a potential funding stream is not on the agenda at present and remains highly sensitive (witness the recent media interest in the use of microchips in wheelie bins by Blaenau Gwent and Denbighshire).
 3. For authorities at the brink of entering into long term contracts this financial uncertainty over affordability is clearly a major concern (increased by the

implications of the pending election). However, the costs of 'doing nothing' will be far greater as landfill costs/taxes increase and the threats of penalties loom – now potentially for failing to achieve recycling targets as well as for not meeting targets under the Landfill Allowance Scheme and associated infraction fines from Europe. Moreover, these are just the financial costs. The environmental costs of landfill also need to be taken into consideration.

Current Performance

4. The constant increase and improvement in waste performance that has been achieved over recent years reflects in no small part the level of investment that has been put into the service.

Recycling and Composting Performance Indicator

5. Recycling and composting rates are one of the strategic indicators in the previous waste strategy, *Wise About Waste* and there are now NAWPIs related to the percentage of municipal waste reused or recycled, and composted or subject to other biological treatment. . In 2002 the share of municipal waste recycled, reused and composted was at 7 per cent. However, performance has been on an upward trend, rising from 28 per cent in the July to September 2006 quarter to 41 per cent in July to September 2009. The latest quarterly figures due to be published in June 2010 are likely to show that, overall, the **40 per cent** target set down in *Wise About Waste* for 2009-10 will be narrowly missed, coming in at 39.2% (attributed largely to poor green waste collections in the third quarter due to the winter weather conditions). TZW sets successively more ambitious targets up to 2025:
 - 52 per cent 2012-13
 - 58 per cent 2015-16
 - 64 per cent 2019-20
 - 70 per cent 2024-25
6. Continued investment to allow for service expansion (such as food waste collections and inclusion of more materials to be collected) is therefore essential.

Landfill Diversion

7. To fulfil its European Obligations the Welsh Assembly Government, through the Landfill Allowance Scheme, sets out how much biodegradable municipal waste councils can send to landfill. Each council is given a set annual allocation which cannot be exceeded. For every tonne exceeded the Welsh Assembly Government has the power to fine the authority £200 per tonne. In European target years, 2009-10, 2012-13 and 2019-20 any Member State that fails faces infraction fines of £0.5 million per day.
8. Each year local government performance is independently audited by Environment Agency Wales and a Landfill Allowance Scheme report is published. Welsh authorities with their efforts in recycling and composting met the first EU target year two years early. In fact, in 2008/9 Wales was 16% below the first landfill Directive target for 2010. The Environment Agency in its September 2009 report on the LAS

Scheme stated: "This clearly demonstrates that the Local Authorities' actions to reduce the amount of biodegradable waste sent to landfill are succeeding".

9. To ensure Wales meets its next, 2012-13 target WAG modelling has demonstrated that investment is needed to divert as much food waste as possible from landfill. Reports to the Ministerial Waste Programme Board have looked at authorities' prospects for meeting the targets. These indicate that, provided current investment plans can be met via a combination of Assembly and authorities' own funds, Wales as a whole should meet the target. If municipal waste tonnages continue to decline and/or if all authorities adopt best practice then each individual authority should also be capable of meeting the target. In this respect, the ability of WAG and the U.K. government to address the issues of producer responsibility and eco-design will also be a vital factor, helping to reduce upstream the amount of potential waste.
10. Raising community awareness and engagement in relation to participation in new collections and the development of new facilities is also crucial. WAG's ongoing financial and in-house communications support for the work of Waste Awareness Wales has been important in this respect.

Carbon Reduction

11. Environment core performance indicators cover carbon dioxide emissions, street cleanliness and energy use in domestic housing. These relate to a number of priority areas including the Carbon Reduction Commitment, fuel poverty, the emerging WAG Climate Change strategy and its 3 per cent per annum carbon reduction target. Work to introduce renewable energy / microtechnology into houses to reduce their carbon impact is also contributing to regeneration efforts. Visible services such as clean streets are critical to the public's perception of an area, its vitality and sustainability.
12. The **Carbon Reduction Commitment** is the UK's first mandatory carbon trading scheme which is compulsory for organisations that consume over 6,000MWh (the equivalent of an electricity bill of approximately £500,000 per year). All but five local authorities in Wales are expected to be covered by the CRC (which includes energy use by schools and street lighting). The first year of CRC (from April 2010) will be a monitoring year. The first sale of allowances in April 2011 will now require participants to purchase allowances for the year ahead (and not, as originally proposed, for the previous year as well).
13. All the money raised through the allowances will be recycled back to participants, according to how well they perform. The scheme features an annual performance league table that will rank participants on energy efficiency performance. Together with the financial and reputational considerations, the scheme encourages organisations to develop energy management strategies that promote a better understanding of energy consumption.
14. The key financial risks are that authorities could face penalties for non-compliance or may have to buy additional allowances and/or face penalties due to poor performance. Authorities are taking steps themselves and working with bodies such as Carbon Trust and Energy Savings Trust to reduce their energy consumption. However, there are concerns that private sector companies may have access to more resources to invest in energy efficiency which could result in public sector bodies finding themselves lower down in the performance league tables.

Flood and Water issues

15. There are two pieces of legislation i.e. the Flood and Water Management Bill and the EU Floods Directive on flood and water issues that introduce new burdens on local authorities. A **Flood and Water Management Bill** has now been enacted. Together this legislation places responsibility on local authorities for all local flood risk and its management in their areas which includes flooding from ordinary watercourses, surface water and groundwater. In particular it requires local authorities to prepare strategies for addressing local flood risk. It also places responsibility on local authorities for the introduction of Sustainable Urban Drainage Schemes (SUDS) in new developments and redevelopments. The issue of reservoir safety also features in the Bill, bringing requirements in relation to the production of emergency plans, prioritised on the basis of risk.
16. DEFRA has estimated that the annual costs of the Bill for English local government will be £36m. An equivalent figure for Wales would be c £2m by 2015 (provisional figure).
17. The EU **Floods Directive** was transposed into UK legislation in December 2009. It determines a process for addressing flood risk with associated milestones. Failure to comply with these requirements will result in infraction proceedings. It places requirements on Welsh local authorities to produce:
 - Provisional Flood Risk Assessments (PFRAs) by 22nd December 2011
 - Flood Hazard Maps (FHMs) and Flood Risk maps by 22nd December 2013
 - Flood Risk Management Plans (FRMPs) by 22nd December 2015.
18. DEFRA has estimated that the development of Surface Water Management Plans to feed into the FRMPs could cost between £75,000 and £150,000 per authority⁵⁵. Not all of these costs will be borne by local authorities, however. In Wales, where the approach being taken differs in some respects from England, discussions are currently underway between WAG, Environment Agency and WLGA to agree the best way forward. Local authority plans will be coordinated by the EA at the river basin district level (three relevant to Wales – Western Wales, Dee and Severn, with the latter two also involving cross-border co-ordination with England). The EA will be able to provide valuable primary information to authorities that can be supplemented by their local knowledge and information to develop the assessments, maps and local authority level plans. It has been recognised that these new responsibilities on local authorities will require additional funding and a provisional figure of £1,000,000 per year has been suggested in the short term.
19. Similarly, discussions are underway about the allocation of new funding (around £100,000 over the next 1-2 years) to authorities that will be involved in the production of reservoir safety plans for identified highest risk reservoirs.
20. In addition to the work required to produce the various plans i.e. the flood risk management plans/local Strategies there inevitably will be a need for funds to undertake new works identified as being necessary. This will involve not only

⁵⁵ Impact Assessment - Local Flood Risk

physical works but also, in line with the 'new approach' to flood risk, work with communities to develop their resilience in the event of flooding.

21. In December 2008, the Welsh Assembly Government secured £30 million for West Wales and the Valleys from the Convergence fund. This funding will be matched with money from the Welsh Assembly Government, local authorities, EA and others to support a programme worth in excess of £65 million over a period of 5 years.
22. Additional funding of £6 million has also been obtained from the EU Competitiveness fund which covers the East of Wales. This programme will also be match-funded to promote a £13.3 million programme of work. This additional funding is helping both to address the identified backlog of investment needs associated with our ageing infrastructure and helping to change our approach to addressing such risks. This source of additional funding however will end once the European Structural Fund has terminated.
23. Despite this temporary funding boost, the recent *Future Flooding in Wales* report by the EA⁵⁶ concluded that to maintain (or reduce) the numbers of properties at flood risk in 2035 at levels comparable to the present day may require around three (or more) times the current levels of investment in flood defences. It added, though, that such increased investment is economically justifiable in terms of the flood cost/benefits.

Other Environmental Services Issues

24. There are a range of indicators relating to Environmental Health that relate mainly to enforcement and inspection regimes. This is vital as businesses come under increasing cost pressures in the current climate to ensure that there is no increase in risk to consumers.
25. The Pennington report following the e-coli outbreak in Wales in 2005 has placed a number of new requirements on local authorities. Local authorities have estimated that £2.5 million additional resources is needed per annum to support a long term programme of improvements including working with local businesses to improve their understanding of food safety management. Some additional funding has been made available by the Food Standards Agency in Wales to help local authorities provide training for food business owners.
26. A range of other local government services (and the National Parks) will come under pressure as a result of tighter finances and will have to revisit priorities and manage expectations. Planning, for example, has seen fee income plummet as a result of the reduction in development activity at a time when increasing requirements are being imposed on the planning process (see Economic Regeneration chapter).

The **North Wales Shared Services project** is a good example of the type of creative response to current pressures. The limited availability of expertise in certain key areas such as archaeology or minerals and the requirement to utilise this expertise more efficiently has provided the stimulus for authorities and progress is being made on a number of fronts, which could result in access to services being retained but at a reduced overall cost. This is the sort of model that could be replicated in a number of other specialist service areas.

⁵⁶ Future flooding in Wales: flood defences - Possible long-term investment scenarios, Environment Agency 2010

Key Financial and Operational Risks

Waste

27. There are five longer term risks facing the waste service if investment cannot achieve the required levels:-

- reputational risks to Wales including the Welsh Assembly Government should Wales fail on its waste obligations and stated recycling aspirations
- financial risks to Wales including the Welsh Assembly Government if infraction proceedings take place
- financial risks to individual authorities if the Welsh Assembly Government imposes Landfill Allowance Fines
- financial risks to individual authorities if the Welsh Assembly Government passes on infraction costs
- reputational and financial risks for authorities for not delivering the Welsh Assembly Government's annual targets, which are statutory under the new measure, with fines for non-achievement.

28. There are also shorter term risks if investment is not forthcoming

- Councils will not be able to introduce services to mitigate the above risks – the invest to save approach will not be possible
- Treasury stated increases in landfill tax escalator – rising from £40 per tonne (p/t) in 2009-10 to £72 p/t in 2013-14 (£8 increase per subsequent year) whilst a driver for investment in recycling, makes it more difficult to invest in recycling services as residual waste still has to be collected and disposed. If the costs of this increase there are less funds available to develop collection services.

29. In terms of wider environmental services, any reduction in third party funding such as that provided by CCW and EA will jeopardise local government activity., especially in non statutory functions. This is pertinent to attempts to bring European designated areas up to required environmental standards, Water Framework Directive activity and less direct consequences such as European Blue Flag designations for beaches (affected by agricultural run offs). Local Authority funding of Local Record centres could be compromised thus reducing assurance that Habitats Directive requirements will be fully discharged.

30. Any reduction in the capacity to inspect and monitor food premises is a significant risk especially at a time when businesses are under severe cost constraints themselves and there is increased potential for additional risks to manifest themselves.

Flood and water

31. Without adequate resources, skills and research, there are risks that authorities will fail to prepare the necessary plans to the required timescales. However, by an order

of magnitude, of far more importance is the risk that Wales will be hit by serious floods before agencies have agreed respective responsibilities.

32. Around 360,000 properties in Wales, or about one in six buildings, are at risk of flooding. More than 357,000 people living in 220,000 properties are at risk of flooding from rivers or the sea, 97,000 of which are also at risk of surface water flooding. A further 137,000 properties are susceptible to surface water flooding alone. Existing flood defences and drainage systems cannot prevent flooding; they merely reduce the frequency of flooding. Changes in our climate, such as more severe storms and wetter summers and winters, will increase both the frequency and severity of flooding.
33. The Environment Agency has produced a publication on Future Flooding in Wales. This concludes that:
 - To maintain the numbers of properties at flood risk in 2035 at levels comparable to the present day may require around three times the current level of investment (i.e. over £40m p.a.) in flood defences.
 - To reduce the numbers of properties at flood risk in 2035 relative to the present day, may require around four times the current level of investment in flood defences
 - Flood defences reduce the likelihood of flooding but they cannot stop all floods.
 - Building defences can be technically difficult and may not be affordable in all locations which are at risk of flooding now or in the future
 - It is unlikely that defences alone can be used to manage future flood risk. There should be a focus on a wider range of actions to manage the consequences of flooding, to complement the investment in defences.

Opportunities to Mitigate the Risks

Waste

34. Given the importance of the waste issue to Wales, the Welsh Assembly Government and the WLGA have worked closely over the last few years to develop a rigorous risk management strategy. Appropriate governance structures are being put in place to ensure ownership of the waste issue so that risks and policy issues can be managed appropriately.
35. Independent work has been commissioned which has critically examined the costs of meeting both the Welsh Assembly Government's recycling aspirations and the European obligations. The Eunomia report provides the basis for collection activities and the 2008 Grant Thornton/AEA report has been used to calculate the food and residual waste treatment costs.
36. A combination of Welsh Assembly Government statements on funding and these reports was used to calculate an overall affordability gap for waste management that was reported in last year's ESG report. This work is now being undertaken for each individual procurement exercise.
37. Last year it was reported that a robust system was needed for collecting waste finance information and benchmarking. A new financial reporting framework has now been developed and further work will be undertaken during 2010/11. It is

intended that annual financial analysis and benchmarking will be used to drive the adoption of optimum and efficient systems.

38. Many councils have also undertaken reviews of services such as collection rounds to ensure optimum efficiency and more councils are moving to alternate week collections. Savings generated from this service switch are usually used to fund the new food waste collection.
39. This year an increased emphasis is being placed on efficiency and exploring opportunities for collaborative working, outsourcing, use of community enterprises etc. The WLGA's Waste Improvement Programme will be working with authorities to help identify efficiencies and WAG is in discussions with WLGA over the introduction of a Waste Efficiencies Programme to support authorities and ensure maximum returns on the investment in the service.

Flood and Water

40. The encouraging discussions currently underway between WAG, EA and WLGA should result in agreement on a way forward that will ensure that statutory requirements to develop the various plans are met in the short term. This is likely to involve a combination of:
 - using information being generated and made available by EA; and
 - supplementing this by supporting local authorities to collate information they already hold in various formats
 - production of consistent and reliable evidence and action plans.
41. However, development of the plans is clearly the beginning rather than the end. Substantial additional investment will be required both in terms of detailed mapping, the provision of flood defences and developing community resilience. The additional European Funding is helping to address the backlog of already identified investment needs and the move to a more holistic way of managing flood and coastal risk. However it is important that the European funding that has been secured is used wisely and targeted at the highest priorities / greatest risks.
42. Meanwhile, other precautionary and preventative measures can help to mitigate risks such as restricting new development in flood risk areas. Encouragingly in this year's EA's High Level Report 13 (Development and Flood Risk) it was reported that where the EA objected on flood risk grounds (and local authorities have advised EA of the final outcome) 96.2% of decisions were in line with EA advice.
43. More generally, joint work by WAG and WLGA on a Sustainable Development Framework for Local Government is encouraging authorities to adopt a 'community-centred' approach to risk management. Flooding is one of the issues that has been highlighted in 'Futures' work developed as part of the SD Framework (alongside other risks related to energy security, food security, climate change, rising levels of obesity). Authorities are being encouraged to look at what they can do (by themselves and working with partner agencies and local communities) to mitigate and adapt to these issues. In the case of flooding, as well as flood defences and avoidance of development in flood risk areas, this could involve (all with cost implications):

- increased drain/gulley/culvert cleansing
- introduction of SUDS, providing natural methods of reducing surface water flooding and deliberate use of designated low risk areas (e.g. fields) to accommodate flood waters
- consideration of relocation of most at risk residents
- use of design in retrofit work (e.g. permeable surfaces; use of planting schemes; positioning of electrical sockets; inclusion of rooftop exits)
- use of grey water and underground storage
- well-publicised emergency plans/evacuation procedures along with exercises with local residents and emergency services.

Strategic Context

1. Good quality affordable housing is fundamental to the well being of individuals and communities, and in the current economic climate has a particularly crucial role to play. The Welsh Assembly Government and Local Government both recognise housing as a high priority and have highlighted its importance in 'One Wales' (2007), the 'strategic vision for a Better Wales' (2009), the National Housing Strategy 'Improving Lives and Communities' (2010) and the WLGA updated manifesto 'In the Eye of the Storm' (2009).
2. Local Government, along with the Welsh Assembly Government and key partners has a key role to play in assessing and addressing the housing needs of their communities. The remit is broad and includes providing affordable housing, improving housing quality, preventing and addressing homelessness and supporting vulnerable people to live independently. A failure to address these needs will create risks not only for individuals but also for communities.
3. Housing is central to the well being of individuals, families and communities and has a critically important role to play in achieving the strategic priorities of Local Government and the Welsh Assembly Government. A failure to address the need for good quality affordable homes will have a significant impact on our ability to address key priorities.
4. Good housing is fundamental to mental and physical health and has a direct impact on the demands placed on hospitals, GP's and use of medication and also impacts on sickness levels in the workplace. The availability of good quality, settled accommodation also impacts on community safety in a range of ways. For example it reduces re-offending rates and substance misuse, and can help to address domestic abuse and has a part to play in child protection.
5. Appropriate housing and support has a significant impact on the ability of individuals to live independently in the community, and can therefore reduce the need of social care services, reduces the use of extremely expensive residential care and hospitals and impacts on the levels of delayed transfers of care.
6. Tackling child poverty and social exclusion is recognised as a priority for communities and Government and presents a complex challenge that requires complex solutions. Housing has an important role to play in terms of its impact on a wide range of policy areas including health and well being, education, employment opportunities and level of disposable income.
7. Housing also has an important role to play in the economy as the recent collapse of the housing market and recession has clearly demonstrated. House building is a key economic driver which impacts on employment and training opportunities and demand for wide ranging goods in the wider economy. A decline in investment in housing will have an inescapable impact on the local and national economy.

8. Housing currently is responsible for 26 per cent of carbon emissions and therefore has a key role to play in tackling climate change. It also has a very important part to play in developing a more sustainable future for Wales in terms of transport, generation of waste and use of renewable sources of energy.
9. It is clear that a failure to meet the need for good quality affordable housing and housing services has wide ranging implications across many policy areas. Housing has a vital role to play in mitigating the impact of recession and in meeting the priorities of Local Government and the Welsh Assembly Government. Authorities are therefore making every effort to mitigate risks, deliver efficiencies and improve services.

Current Performance

10. The projected pressures on public finances will require Authorities to look at ways in which they can continue to meet the housing needs of their communities by delivering 'more for less'. There is clear evidence that Authorities have been making steady improvement in performance and efficiencies.
11. The Local Government performance data for 2008-09 demonstrates this continuing improvement in a number of key housing services including:
 - 50 per cent increase in additional affordable homes. Delivery increased from 1,692 in 2007-08 to 2,543 in 2008-09, compared with only 800 in 2006-07
 - the number of affordable homes delivered through planning obligations (s106 agreements) more than doubled between 2007-08 and 2008-09, from 382 to 774, and homes provided through rural exception sites increased by almost 50 per cent from 44 to 62
 - 100 per cent increase in empty homes brought back into use by Local Authorities, with an increase from 265 in 2007-08 to 567 in 2008-09
 - Reduction in the average time taken to let Council homes from 85 days in 2007-08 to 75 days in 2008-09. The total rent lost due to properties being left empty was reduced from £9.3m in 2007-08 to £8.3m in 2008-09.
 - Significant reduction in the time taken to process housing benefit and council tax claims, from a combined figure of 25 days to process new claims and 11 days to process change of circumstances, to an overall figure of 11.1 days. This was achieved despite a significant increase in claims
 - Reduction in the time taken to deal with urgent and non-urgent repairs to council homes from an average of 6.6 days in 2007-08 to 6.2 days in 2008-09
 - Reduction in homeless families in B&B accommodation from 342, compared with 417 in 2007-08 and 746 in 2006-07
 - Reduction in the average time taken to discharge the statutory homeless duty from 149 days in 2007-08 to 131 days in 2008-09

- Significant reduction in the average time taken to deliver a Disabled Facilities Grant from 453 days in 2007-08 to 375 days in 2008-09

Financial and Operational Risks

12. The recent recession, credit crunch and near collapse of the housing market have compounded the housing difficulties faced by individuals and communities. The key risks are:
- supply of affordable homes
 - housing quality and sustainability
 - homelessness
 - support needs of vulnerable people

Supply of affordable homes

13. Household projections indicate that between 2006-26 households in Wales are likely to increase by 21.1 per cent with a significant proportion (65 per cent) of the additional households aged over 65.
14. The scale of housing need is immense and the number of new homes required well in excess of building programmes in Wales over recent decades. It is projected that an additional 14,200 additional homes will be required each year until 2026 (Holmans and Monk 2010), 5,100 of which will need to be non market homes. There will also be a pressing need to provide appropriate homes for the growing population of older people, the majority of whom will want to live independently in the community. This will necessitate the provision of housing options that can respond to growing levels of frailty, from adaptations to homes through to extra care and telecare solutions.
15. The supply of social housing in Wales is very limited, with the Right to Buy depleting the stock of council homes by 44 per cent since 1980. There are currently over 80,000 households on housing waiting lists, but less than 9,000 homes available for letting each year. There clearly is a need for an expansion of non market homes including an expansion of an intermediate housing market that can meet the needs of households who are unable to access social housing or owner occupation.
16. Local Authorities have a very important community leadership role and responsibility to identify and address the scale and dimensions of housing need. This involves partnerships with Registered Social Landlords (RSLs) to develop social housing and sub market housing, with developers to support and encourage the development of new homes and with private landlords to expand and improve the private rented sector. It also requires partnership with other statutory and non statutory agencies such as health to ensure that the future housing supply meets the needs of all sections of the community.

Housing quality & sustainability

17. Given the significant increase in housing need it is essential that Authorities make the best possible use of existing homes in all sectors of the housing market. 84 per cent of homes are privately owned, either by landlords or owner occupiers, and the task of improving standards, increasing energy efficiency and adapting them to meet the needs

of people living in them is therefore a complex one that will require substantial investment.

18. Good progress is being made in bringing social homes up to Welsh Housing Quality Standard, however the quality and energy efficiency of homes in the private sector is a matter of real concern. In addition the need for physical adaptations is projected to rise dramatically as the number of older and disabled people rises.

Homelessness

19. If Authorities and their partners fail to improve housing conditions and increase the supply of new homes it will be inevitable that levels of homelessness and the need for temporary accommodation will rise. Authorities have become very effective at homelessness prevention and providing housing options advice and this has largely stabilised levels of homelessness. However in the short term a recovery in the housing market is expected to increase repossession rates and reduce the availability of rented homes. In the longer term the increase in population combined with an insufficient supply of new housing will increase homelessness.

Support needs of vulnerable people

20. Housing related support services provide flexible support for a wide spectrum of vulnerable people to enable them to live independently at home. These services play a vital preventative role and reduce homelessness and the need for more intensive health, social care and criminal justice intervention. Service users range from people with learning disabilities and older people who have long term support needs, to victims of domestic abuse, care leavers or victims of domestic abuse who may require more intensive short term support. The common thread is the need for support to remain living independently and prevent the need for more intensive services such as residential care, homelessness services, hospital or prison.
21. These four key housing risks present a real challenge for Local Authorities. Local Government has a key strategic housing role to play in understanding needs and working with partners to meet needs.
22. A failure to provide sufficient good quality affordable homes and services that prevent homelessness and provide support will have serious repercussions. The health and well being of individuals and communities will be adversely affected and rising pressures on a wide range of public services will be inevitable, including health and social care, children's services and criminal justice. Authorities are therefore taking action to mitigate risks by improving services and increasing efficiency and effectiveness.

Opportunities to Mitigate Risks

23. A pattern of strong and improving performance by Local Government has been achieved over recent years despite the credit crunch and the collapse of the housing market. However the risks are considerable and Authorities are therefore adopting a range of approaches to mitigate risks through:
- collaboration and innovation

- improvement
- prevention and 'invest to save'

Collaboration and innovation

24. Collaborative partnerships are in place, and more are developing between Authorities and with a range of other partners. The partnership between Local Government, the Housing Association sector and the Welsh Assembly Government has been very successful at increasing the supply of affordable housing. There are many other examples of partnership and innovation, for example collaboration between Local Authorities and Housing Associations to provide affordable homes, create employment and regenerate communities.

25. Close collaboration between Local Authorities and Housing Associations has ensured that two tranches of SCIF funding amounting to £42 million, and £40 million of brought forward Social Housing Grant (SHG) could be spent rapidly to counteract the effects of the recession and meet housing need. This has delivered affordable homes, employment and training opportunities.

26. Ten rural Authorities and their Housing Association partners jointly employ rural housing enablers, who work with local communities to increase the supply of affordable homes in rural Wales.

A Welsh Assembly Government 2009 study to examine local barriers to the delivery of affordable housing in rural Wales identified the employment of Rural Housing Enablers as the most effective way to increase the supply of affordable housing in rural areas. They are playing a key role in identifying housing need and potential sites, engaging with local communities, overcoming local opposition, and facilitating partnership working.

Partnership with the private sector developers

27. Many Local Authorities are working with private sector developers to increase the supply of affordable homes, for example by purchasing partially completed 'stalled' sites. This has happened across Wales and has played a crucial part in counteracting the impact of the recession.

At a time when the housing market had almost collapsed Cardiff CC worked with a private developer to ensure that a small number of infill sites, crucial to the success of a regeneration scheme, were developed with low cost homes. The developer was initially reluctant to develop the sites due to the state of the housing market so the Authority underwrote the development and agreed to purchase any unsold properties. This innovative initiative resulted in all the homes being sold to low income families, the regeneration scheme being completed and jobs and skills opportunities being made available

Partnership with private sector Landlords

28. The private rented sector has a vital role to play in meeting housing need that cannot be met by the small social housing sector or an unaffordable owner occupied sector. Authorities across Wales have developed landlord fora and are working with private landlords to improve the quality of privately rented homes and develop a range of initiatives including temporary accommodation leasing schemes for homeless families

and social lettings agencies that provide vulnerable people with access to good quality rented accommodation.

Collaboration to bring empty homes back into use

29. The 18,000 empty homes in Wales are a wasted resource that could provide much needed homes. Authorities have therefore developed empty homes strategies and many are working across boundaries or with housing association partners to employ empty homes officers to bring these properties back into use and contribute to the regeneration of communities.

North Wales Housing Association and Denbighshire CC jointly employ an empty homes officer with the result that 66 empty properties have been brought back into use in 2008/09, compared with 1 in 2007/08. This collaboration has also led to the purchase and improvement of 3 empty homes with North Wales Coast Regeneration funding and their sale to families in housing need at 50 per cent of market value. The initiative has created local construction jobs and training opportunities which has led to permanent employment for the apprentices on the scheme.

Innovation to support renewal and regeneration

30. In 2007-08 Authorities in Wales spent £69m assisting private owners with home improvement and repairs. (Welsh Housing Statistics 2008 WHO17 & WHO6) This included £31.2m on group repair schemes, renovation grants and environmental works in renewal areas, and a further £31.4m in loans and grants to improve homes outside renewal areas. Evaluation of the impact of a renewal area in Llanelli showed that the improvement in housing conditions reduced long term sickness from 14 per cent of the population to 7 per cent.

Carmarthenshire uses the Renewal Area Grant they receive from the Assembly to provide home owners with an equity loan to carry out improvements, rather than a grant. The loan is recovered when the property is sold and recycled to support additional loans. This arrangement ensures that public funds are available to support home improvement and repair in perpetuity.

Regional collaboration between Authorities to improve housing related support services for vulnerable people

31. The Gwent Supporting People Regional partnership demonstrates how regional collaboration can deliver significant savings, improve services and provide additional innovative services for vulnerable people.

The collaboration of 5 Authorities to form the Gwent Supporting People Regional Partnership has:

- increased the range of accommodation and housing support services for vulnerable people in the region
- reduced duplication of processes that has realised savings of 600 working days, equivalent to 2.5 FTE's. This has yielded savings of £100k in 2008-09 for providers and commissioners
- delivered additional services valued at £175k (29 more people receive housing related support), but at no extra financial cost.

Regional services offer increased options for people, reduce burdens on service providers and

realise savings and added value for local authorities as commissioners. They also facilitate shared learning, improve workforce development and improve consistency and equity of services.

Cross sector collaboration

32. Authorities are not only working across boundaries but are also collaborating across directorates and sectors to improve services and deliver efficiencies.

Torfaen housing department has worked with the social care department and the NHS to use 5 vacant sheltered housing units to tackle the issue of delayed transfers of care. The initiative has cost a total of £35,000 per year and with 60 per cent occupancy has resulted in savings to the health service of £247,500 per year.

Improvement

33. Authorities are using a wide range of tools to improve services including, the development of peer review arrangements, benchmarking, good practice forums and lean management systems.

34. Four housing services improvement toolkits have been developed by the WLGA to assist Authorities with improvement of their housing services. These are being used by Authorities in a range of ways including self assessment, benchmarking and peer review. The WLGA is currently focusing support for Authorities on the improvement of the strategic housing role.

The WLGA commissioned Sue Essex early in 2010 to visit 11 Authorities and discuss strengthening their housing strategic role with key politicians and officials. This has resulted in 2 Authorities recruiting additional housing strategy officers with plans for further capacity building. The development of peer review arrangements for the strategic housing role will deliver further improvements in 2010/11 and improve the delivery of affordable homes.

35. A number of Authorities are applying systems thinking to review their housing services, improve delivery and generate efficiencies. For example:

Blaenau Gwent has applied systems thinking to the payment of council and housing benefits and has reduced the end to end time of processing new claims from 45 days to 12.3 days, and the time taken to process change of circumstance forms from 35.3 days to 8.6 days.

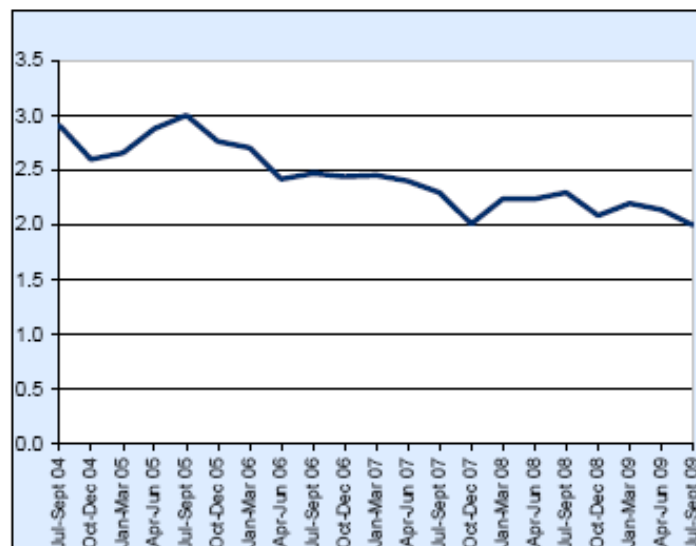
36. Improvement of social housing to reach Welsh Housing Quality Standard (WHQS) is a priority for all Authorities. Unfortunately current financing arrangements for council housing provides insufficient funding for improvements and has forced Authorities to develop alternative strategies. In some instances, where tenants have agreed, the stock has been transferred to a housing association and in other areas Authorities are using prudential borrowing to support improvement work.

In partnership with its tenants Carmarthenshire has set an ambitious standard that includes extensive environmental and energy efficiency work and exceeds WHQS. This has generated considerable benefits for tenants, for communities who are benefiting from regeneration, for local contractors who have the stability of 4 years work, and for local young people who have training and employment opportunities. This programme of work has been made possible by Authorities using their prudential borrowing powers to support the improvement programme. Every £1m that is spent on improvement creates 32 full time local jobs.

Prevention and 'invest to save'

37. Despite of the recession and the collapse of the housing market Authorities across Wales have become increasingly successful at preventing homelessness. This has significantly reduced numbers of families in temporary accommodation and the financial and human costs involved.
38. The graph below shows the steady reduction in the use of temporary accommodation as a result of the effective homelessness prevention work of Authorities.

Proportion of households in temporary accommodation, per 1,000 households



39. Authorities are investing in a range of innovative prevention services including family mediation, financial advice, mortgage rescue, social lettings agencies, housing advice in prisons, online housing advice and bond schemes. For example:

Flintshire has brought together its homelessness, welfare rights and housing options services to provide a 'one stop shop' for households threatened with homelessness. Nine hundred households used the service in 2008-09 and homelessness was prevented in all but 30 cases. Evaluation of the effectiveness of the services indicates that 80 per cent of households remain housed after 6 months.

40. Housing related support for vulnerable people is an extremely effective 'invest to save' activity that helps vulnerable people to remain living independently at home and prevents homelessness. It also reduces demand for more intensive services such as residential care, hospital admission or prison. The Matrix Report on the Cost Benefit of Supported housing (2006) estimates that every £1 spent on housing related support

saves £1.68 of public services expenditure including health, criminal justice, and social care.

41. The mortgage rescue scheme that is founded on close collaboration between Local Authorities and their Housing Association partners has been extremely successful in reducing homelessness. £9.5m was spent on mortgage rescue in Wales in 2008-09 and prevented 609 adults and 319 children becoming homeless. A further £7.06m has been committed from the 10/11 budget due to the success of the scheme.
42. In 2007-08 Authorities in Wales completed 5,830 mandatory Disabled Facilities Grants (DFGs) at a cost of £37.6m. This represents 54 per cent of the overall expenditure on renewal. The number of grants that Authorities have completed each year has increased by 44 per cent since 1998-99 while the cost has increased by 99 per cent. (Welsh Housing Statistics, WHO 6).
43. Despite this growing pressure Authorities continue to reduce the average waiting time for grants. Demographic changes indicate that this trend will continue as will an increase in demand for more extensive adaptations for disabled young people.

Research by the BRE and CIEH indicates that every £1 spent adapting homes where a serious fall is otherwise likely to occur saves the Health service £69.37 over 10 yrs, and every £1 spent on improving homes where occupants are likely to require treatment due to excess cold saves the Health service £34.19 over 10 years. (BRE/CIEH 2008)

Conclusion

44. Good quality affordable housing underpins the health and wellbeing of individuals and communities. In the current financial climate it is therefore essential that Local Authorities are able to continue to respond to local housing needs and mitigate the key housing risks – homelessness, lack of affordable housing, maintaining housing quality and supporting vulnerable people to live independently.
45. In recent years Local Authority housing services have seen considerable improvement. Authorities are now building on this success and are focusing on initiatives that will also yield efficiencies through collaboration and innovation; prevention and 'invest to save' initiatives. It will however be essential that funding to support this housing activity continues to be available.

Strategic Context

1. Community Safety is a key issue for all communities – IPSOS MORI's monthly polling shows that the British Public consistently see crime and anti-social behaviour as two of the main issues facing the country. It is a high public priority and one that can affect the quality of life for individuals and entire communities. Tackling community safety issues cannot be done by the police alone but is dependent on a wider range of organisations and services working together holistically to find solutions to problems that affect local communities.
2. This approach was enshrined in the Crime and Disorder Act 1998 which made it a statutory duty for each local authority area to have a Community Safety Partnership in place, made up of representatives from the Local Authority, the Police Force, the Police Authority, the Fire and Rescue Authority, the Local Health Board and from 1 April 2010, Probation. This Act and ensuing amendments continue to provide the legal framework for CSPs which have found a strengthened role in recent years as a result of:
 - UK wide requirement for all Police Forces to implement "neighbourhood policing", establishing neighbourhood-based policing teams and improving community engagement through public meetings.
 - One Wales' commitment to a fair system of youth and criminal justice. WAG is committed to work with the Police, Home Office, Community Safety Partnerships and others to help people feel safer in their communities.
 - WAG's "Making the Connections" and "Beyond Boundaries" which call for public service organisations to work together to provide "joined up", citizen focussed services that provide better value for tax-payers money.
 - The Concordat between the Welsh Assembly Government and the Home Office.
3. Councils, Police Authorities and Fire and Rescue Authorities are also all legally required to "mainstream" community safety in order to ensure that these bodies consider Crime and Disorder across all their activities and in all their decision making processes.
4. Crime reduction is generally split into two areas: situational and social. Situational crime reduction involves making it more difficult for the crime to be committed e.g. erecting fences, installing CCTV, patrols and so on. While these can be effective it is worth noting that these measures can result in crime displacement, that is the criminal targets other, easier areas. Social crime reduction involves addressing the underlying causes of crime, including preventative work with individuals to prevent offending behaviour. These measures are generally expensive to implement and require the greatest level of multi-agency approaches but often result in a longer term positive effect in reducing crime and costs.
5. Successful community safety partnerships, including the neighbourhood management approach, rely on joined up public service delivery. There are huge overlaps across a

range of local services for example the NEET (Not in Employment, Education or Training) agenda and Social Services, particularly integrated family support and housing.

6. In the Fire and Rescue National Framework for Wales 2008-2011 the Welsh Assembly Government set out its vision and priorities for the three Fire and Rescue Authorities (FRAs) in Wales. It emphasised the FRAs role in the context of the wider public sector agenda and "One Wales".
7. The framework set out three priority areas for the FRAs, namely:
 - Providing statutory services which protect communities and meet their specific local needs by maximising and pooling resources. This will involve a more integrative, participative and collaborative approach between FRAs and the wider public sector.
 - Strengthening their equality and diversity agenda to ensure that each FRA is fully representative of, and is fully engaged with, the diverse communities it serves, enabling it to meet its statutory and non statutory functions, and:
 - Delivering a national resilience capability.

Policy Challenges and Opportunities

8. Community Safety covers a broad area of policy including, but not limited to, policing, crime and disorder, reducing re-offending, anti-social behaviour, substance misuse, domestic abuse, and fire. In addition to the specific role played by local authorities as part of the partnerships, many other core local authority services contribute to making Wales' communities safe including:
 - transport - for road safety
 - education - promoting citizenship and to divert young people away from crime
 - environment – responding to and preventing environmental crime such as graffiti and fly-tipping
 - housing - protecting residents from anti-social behaviour
 - social services - protecting vulnerable people and the victims of crime and coordinating Youth Offending Teams
 - leisure and culture – providing alternative activities for those at risk of offending
 - planning – designing a built environment that discourages crime and anti social behaviour
 - community services – providing warden schemes and CCTV schemes
 - regulatory services – promotion of the statutory licensing objects under the Licensing Act 2003 regarding the prevention of crime and disorder and protection of the public.
9. Legislation introduced in recent years has increased the responsibilities placed on local authorities in relation to community safety. Amendments to the Crime and Disorder Act

introduced by the Police and Justice Act 2006 extends the duty to include antisocial behaviour and other behaviour affecting the local environment, as well as the misuse of drugs, alcohol and other substances. The Policing and Crime Act 2009 placed a new duty on CSPs to reduce re-offending.

10. Local authorities now have a range of powers to tackle anti-social behaviour in local communities including Anti-Social Behaviour Orders; Acceptable Behaviour Contracts; Penalty Notices for Disorder and Parenting Orders. The Violent Crime Reduction Act 2006 also gives a range of new powers to the local authority, in partnership with the police, to tackle alcohol related disorder including Drinking Banning Orders and Alcohol Disorder Zones.
11. Local authorities and CSPs have also had additional responsibilities placed on them during the past decade which have not resulted from changes to legislation, for example, the Prolific and Priority Offenders Scheme, and more recently the Counter Terrorism agenda, particularly in relation to the Prevent strand.
12. In March 2010, the Home Office launched the Safe and Confident Neighbourhood Strategy, which was endorsed by the Welsh Assembly Government. In this, the Government sets out its plans for the next stages of neighbourhood partnerships.
13. It is recognised that one of the most effective ways to reduce the potential for crime is to target resources at those individuals that are most at risk of becoming involved in crime at an early enough stage to change the likelihood of offending. Often though these individuals' risk factors bring them to just below the level where interventions through social services departments are triggered. An approach which takes the whole family's circumstances into account however would result in the provision of integrated family support and this early prevention work, while expensive, will be less than the overall cost to public services of no intervention or delayed intervention.
14. Similarly, the preventative work carried out by the Fire and Rescue Services (FRSs) reduces both the financial and social costs of accidental and deliberate fires.
15. Fire, including arson, does track social deprivation, so the medium term effect of the recession is likely to result in an increase in the number of fires in Wales. Arson is likely to increase, especially in relation to derelict/disused properties and domestic dwelling fires are also likely to rise, as householders take more risks regarding maintenance and personal safety.
16. In the report issued by the National Assembly for Wales Sustainability Committee Inquiry into Flooding in Wales (February 2010) the 7th Recommendation was that "the Flood and Water Management Bill is amended to give the Fire and Rescue Service a statutory duty and necessary resources to carry out the rescue of persons from floods". Even if this recommendation is not implemented it has been noticed that there is a growing expectation by the public that firefighters will be involved in rescue from and mitigation of the effects of flooding; not only in Wales but across the U.K. These additional duties have a financial consequence beyond simply equipping the firefighters, but paying for their ongoing training to ensure that they are competent to undertake such work.

Current Performance

17. There is a correlation between a significant reduction in crime levels, particularly a reduction in first time entrants, and the increasing profiles of community safety partnerships. The case study below shows the benefit to the community that a multi-agency approach involving the fire service, parks and waste management can have and that there can be financial savings also.

ABC Park / Tarwick Drive, East Cardiff

This area was identified by the Cardiff East neighbourhood management team as a “local anti-social behaviour hotspot”. Concerns were raised via a local councillor about a family being targeted by youths. The adjoining ABC Park had for many years been a meeting point for young people and residents living in the vicinity have experienced high levels of anti-social behaviour. The cost of crime in this area amounted to over £300,000 over two years (fire service, parks, waste management, street lighting and so on.)

A multi-service team agreed the following short term actions:

eviction of neighbouring tenant by the housing association;

removal of fly-tipping and debris;

removal of graffiti from garden fences, walls, utility boxes and street signs;

street lighting repairs and reinforcement.

The team has carried out campaigns involving environmental improvement work, diversion and enforcement to eradicate the problems experienced by local residents. For a small cost, the team has saved nearly £200,000 per year in the ongoing cost of crime and antisocial behaviour previously associated with the locality.

18. Similarly, the CSP for the Vale of Glamorgan local authority area, the Safer Vale Partnership, has targeted the reduction of anti-social behaviour and youth offending.

Safer Vale Partnership

The Intervention Service is a mobile street-based service that has had significant success in reducing the levels of risky behaviour, particularly in known ‘trigger occasions’ such as Halloween and GCSE results day. There has been significant reduction in the amount of anti-social behaviour referrals and complaints received to police and local authority around Halloween and Bonfire night since the commissioning of this service in 2008.

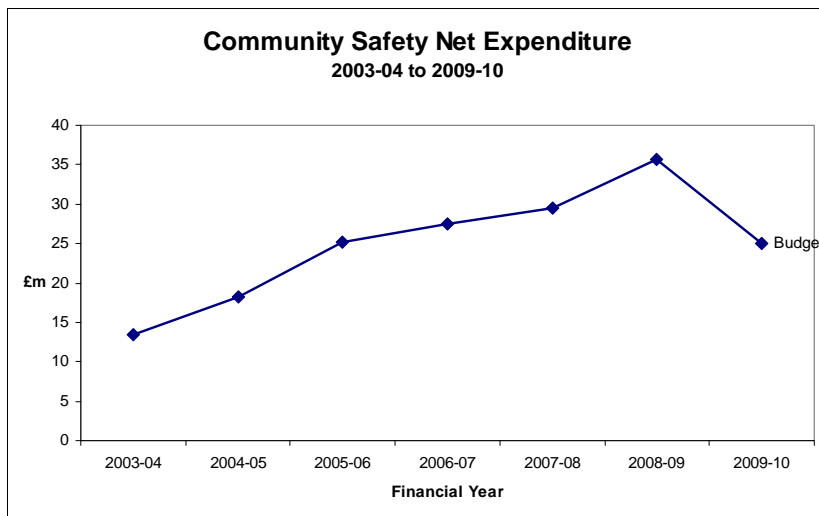
The Prevention Service is operated by the Youth Offending Service offering individual support and activities for young people at risk of offending and those that are first time entrants into the youth justice system. The service has had significant success in reducing the number of first time entrants into the youth justice system. In its first year of operating, the service saw a 23 per cent reduction in first time offenders referred to the service. This year the Service is working with other authorities to provide a range of reparation activities for young people.

19. Gwynedd CSP has also targeted young people through providing specific support for the children of substance mis-users.

Gwynedd CSP

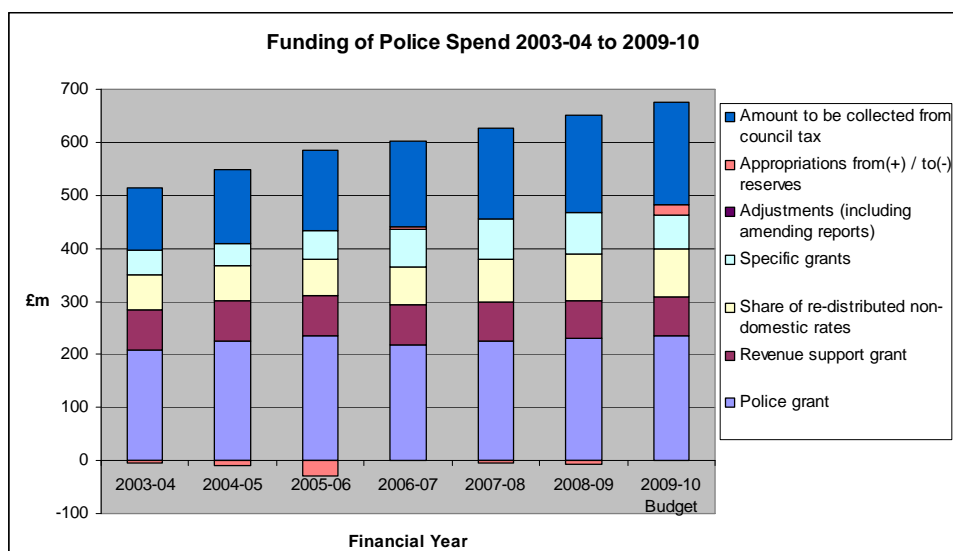
Through direct funding from the Crime and Anti-Social Behaviour Fund (CRASB), Gwynedd CSP has employed a dedicated Children's Worker specifically working with children of substance mis-users. Working jointly with the Youth Justice System and Social Services, the children's worker aims to tackle the "hidden harm" agenda and to reduce the likelihood of these young people turning to substance misuse themselves or entering into offending behaviour. Over a relatively short period of time, children and young people are more willing to confide and share their problems, and there is potential for longer term effects on a reduction in youth offending and a decrease in the numbers of substance mis-users.

20. Since 2003-04 net expenditure on Community Safety has increased from £13.4 million to £35.6 million in 2008-09 as shown in the chart below:



Source: StatsWales Revenue Outturn expenditure summary

21. The increase in investment to 2008-09 reflects the increasing responsibilities that now sit with CSPs, however it is worrying that the budgeted spend for 2009-10 is significantly lower at £25 million.
22. What does the increased investment over recent years mean for Welsh citizens. Denbighshire's target over the past 3 years has been to reduce ten specific crimes by 20 per cent compared to the period April 2003 to March 2004.
23. Expenditure on Policing in Wales amounts to over £675 million in 2009-10 derived from a number of sources including the Home Office (Police Grant, other specific grants), the Welsh Assembly Government (RSG and NNDR) and Council Tax Payers, as shown in the chart below. It is clear that a much larger proportion of funding for Welsh Police Forces now comes from Council Tax Payers than was the case in 2003-04.



Source: StatsWales Financing of gross revenue expenditure by source of funding

24. The four Police authorities in Wales formed the Wales Central Team as a response to the initial call for amalgamation in 2005. The team's focus has since moved to progressing the collaborative agenda between the police forces in Wales. Police Authorities of Wales (PAW) has been established as a joint committee in order to take joint accountability for the delivery of collaboration products and decision making (Annex 1). In March 2008, Police Authorities Wales developed the first policing plan for Wales.
25. Some work streams have already resulted in policies that are implemented across the whole of Wales such as the All Wales Procurement Strategy and the All Wales Information Service and Technology Strategy. Further work is on-going to develop strategies in other areas including Human Resources, Estates, Finance and Fleet.
26. As well as looking at their "back offices", police forces have examined the scope for improving their capacity and capabilities through collaborating on front line services which also helps them to achieve greater efficiency in the delivery of protective services across Wales. Tarian is the Regional Task Force and Regional Asset Recovery Team and is targeted at serious and organised cross border crime. The four police forces have also agreed to create on Special Branch for Wales which is known as the Wales Extremism and Counter Terrorism Unit (WECTU).
27. Another significant success is the national launch of the single non emergency number "101" across Wales in April 2009. Originally a project funded by the Home Office and piloted in Cardiff by both the local authority and the police force, this partnership was dissolved, despite its success when the Home Office withdrew funding. The National 101 is currently limited to the police service only and gives citizens an alternative number to use to contact their local police rather than use the emergency 999 number. Research is underway to investigate the scope for expanding the National 101 to include contact with local authorities and other services.
28. Community fire safety and community safety are core services delivered by the three FRs in Wales. One of the key initiatives to reduce accidental house fires and the resulting deaths and injuries, has been the delivery of over 200,000 home fire safety checks between 2004 and 2008; this is one for every 15 Welsh residents.

29. The outcome has been a consistent reduction in the number of dwelling fires, fire deaths and injuries in Wales over this period of time. This investment in prevention has had significant public value and resulted in cashable benefits to partner organisations such as the health service and local authorities, who no longer have to deal with the same number of injuries and homelessness, as a consequence of fire. The FRSs have also benefited from reduced turnouts to incidents, the savings from which have been reinvested to deliver even more community fire safety.
30. The FRSs collaborative approach to community safety is exemplified by the work of the three, multi agency, arson reduction teams and by firefighters taking safety advice into schools or working directly with young people to improve their life chances. This has successfully reduced the number of incidents of deliberate fires since 2003 by 56 per cent.

	Year 2003	Year 2008	Reduction	Percentage Reduction
Total primary fires	12046	7817	4229	35 per cent
Primary fires in dwellings	2752	2363	389	14 per cent
Deaths in accidental dwelling fires	27	14	13	48 per cent
Injuries in accidental dwelling fires	572	435	137	30 per cent
Total deliberate fires	7179	3135	4044	56 per cent

Source: Fire statistics monitor Wales, quarter 4 2008 issues 25 September 2009

Financial and Operational Risks

31. The majority of community safety projects are funded directly through specific grants either from WAG or the Home Office. Currently these grants are secured until March 2011 while funding beyond that period will depend on the outcome of the Comprehensive Spending Review (CSR). The grants fund the employment of specialist staff that work specifically on areas such as anti-social behaviour, domestic abuse, substance misuse, community cohesion and partnership support. All of the issues that accompany the funding of posts through time-limited grants arise in these areas, where the lack of job security can result in a high degree of staff turnover, or staff leaving just as they have been trained for the work. The capital grant from the Home Office is due to be halved for 2010-11.
32. A major risk, which has already started to happen, is that funding to partnerships is reduced as this is seen as a relatively easy hit. There is a huge risk to the mainstreaming of community safety in the current financial climate.

Fire and Rescue Service (FRS)

33. The FRSs in Wales acknowledge the political and financial support that they have received from the Welsh Assembly Government (WAG) in recent years which has greatly

assisted in delivering a first class community fire safety service to the public. Furthermore, WAG funding proposals for community safety has been put on a more certain basis for the next two years, allowing more effective budget planning.

34. The real risk is that if this funding was no longer to be available, given the current economic conditions, it would be impossible for constituent authorities to fund these vital services as part of their mainstream revenue budgets. Despite the fact that FRSs have a moral and statutory duty under Fire and Rescue Services Act 2004 to promote fire safety – and to help create safer communities; as funding reduces the temptation will be to limit multi agency work with the more vulnerable people in our society and return to purely intervention and responding to incidents.
35. This could put back the shift from intervention to prevention by five years. The effect would be more fires, with the associated Fire Service costs, increased health and welfare costs and more environmental impact, which would be detrimental to WAG's environmental strategies in terms of greenhouse gas reduction.
36. The more long term risk which was mentioned in last year's report was the future provision of fire cover in rural areas. Without wishing to pre-empt work which is currently underway it is FRS' belief that the use of firefighters on the retained duty system (RDS) to deliver fire cover in rural areas is unsustainable. Legislative changes such as the Working Time Directive and The EC Drivers' Hours and Tachograph Rules for Goods Vehicles (Regulation 561/2006) will have a major detrimental impact on the RDS system of work.
37. The employment tribunal case which ruled in March 2008 that RDS firefighters should be treated as part-time workers continues to be of concern. The NJC is currently negotiating compensation for past sickness and pension entitlement but any future costs are as yet unknown. It also strengthens the case for a salary scheme which could cost over £4 million if introduced across the whole of Wales.
38. As mentioned in the chapter on pay and prices for every one per cent increase in pay for firefighters this will add £1 million to the pay costs of the FRSs. As over 80 per cent of revenue costs are employee costs, making any significant reductions would, out of necessity, affect staffing levels with all the resulting difficulties that this poses for the FRS as employers. Reduction in staffing levels has traditionally been achieved through natural wastage, but the demographics may not allow for this in future.
39. A recent Actuarial Valuation report by GAD shows an underlying employer cost of the Firefighters' Pension Scheme 1992 (FPS) net of ill health charges has increased from 21.3 per cent to 24.4 per cent. It is highly likely that this will fall as an increased cost to Fire and Rescue Authorities in 2011/12.
40. The relative recent move to allow retained firefighters to join the New Firefighters Pension Scheme (NFPS) has resulted in over 40 per cent of retained firefighters in Wales joining that scheme resulting in an ever increasing employers' contribution.
41. In some parts of Wales fire stations are no longer in the "right place" to provide the services needed in the 21st Century. Their location was determined in the 1940s and 1950s and do not reflect the demographic changes of today. Many stations now need replacing. The out of date facilities are uneconomic to heat and maintain and are not

assisting in helping the recruitment of a more diverse workforce. Relocation and combining of fire stations could result in cashable savings but the closure of fire stations usually meets a great deal of local opposition.

42. One of the main barriers to rationalising and rebuilding our estates is the cost of capital which, if funded by prudential borrowing, further diminishes the Services' revenue budget each year. The three FRAs need to invest £48.75 million in their building stock over the next five years. If capital funding was available there could be further opportunities to build joint premises with other public services. Experience has shown that this can be hindered by the different governance structures and funding arrangements. The long term benefits of these partnership arrangements can be overshadowed by the lengthy lead in time and increased building oncosts that result.
43. The capital costs of the emergency fleet continue to increase with fewer bodybuilders in the market place limiting competition. The Welsh FRAs spend £7 million each year on replacing their fleets. One of the benefits being the move to modern exhaust emissions, Euro 5 standards offer an almost clean burn off through modern catalytic converters which were not available on older vehicles. This meets all WAG and UK requirements on lowering CO2 and noxious gases through the exhaust systems, making them environmentally friendly.
44. If a regular replacement programme is not followed there are significant increases in the costs of maintaining and servicing an ageing fleet and a backlog that has to be replaced at some future date.

Police Authorities

45. All Police Authorities in Wales have been set challenging targets in terms of improving levels of public confidence and satisfaction as measured by the Home Office. The improvements sought in Wales are amongst the highest in the UK despite an excellent comparative position in terms of low crime.

Force	Baseline Measure		Target (per cent)		Increase Sought	
	per cent *	Position (1 Highest)	End of March 2011	End of March 2012	per cent	Position (1 Highest)
Dyfed Powys Police	43.8	29 th	51.8	56.7	12.9	23 rd
Gwent Police	39.3	39 th	52.0	57.0	17.7	4 th
North Wales Police	44.7	25 th	54.3	59.3	14.6	16 th
South Wales Police	38.7	41 st	54.2	59.2	20.5	1 st

* Measured through the British Crime Survey question: "How much do you agree or disagree that the police and local council are dealing with the anti-social behaviour and crime issues that matter in this area."

46. The Home Office is indicating that cashable savings of at least £545 million will need to be achieved from the following sources over the current and next three years.

	National (£m)	Approximate Wales (£m)
Measure		
Overtime Reduction	£70	£3.4
Procurement Savings	£200	£9.9
ISIS Reductions	£200	£9.9
Business Support	£75	£3.7
	£545	£26.9
Non Cashable Business Improvement	£500	£24.6
	£1,045	£51.5

47. Overall this would equate to some eight per cent of Force expenditure with almost half of this being cashable if this was allocated to Police Forces evenly in accordance with formula allocations. All Police Authorities in Wales are keen to maintain numbers of police officers on front line duties and are publishing detailed Value for Money Plans for publication in Annual plans.

48. Police Authorities in Wales have further vulnerabilities in relation to settlements over the forthcoming period:

- a special grant of £15.7 million in floor/ damping funding.
- £4.4 million in rural grant which could in future be allocated in accordance with formula grant.
- Pressure on the Home Office to undertake a detailed review of funding
- Increases to council tax will be closely monitored and may be capped / frozen in England.
- Capital Funding levels may be cut as part of deficit reduction measures and this would have a detrimental effect on the four Authorities plans to maintain and enhance policing infrastructure

49. In common with local government and FRSs, Police Forces across Wales are finding that they must generate cashable efficiencies or reduce service levels to balance budgets with pay awards running at around 2.5 per cent and non-pay inflation currently at around 4 per cent.

50. Based on individual Force forward projections, the recurring annual deficit position for policing in Wales is projected to be some £43 million by 2012/13. With approximately 80 per cent of police budgets allocated to staffing it is inevitable that staffing levels may need to be adjusted and this looks set to be a period of significant challenge for policing in Wales.

51. The FRSs in Wales have identified four key financial risks for the 2011-12 and beyond:

- Reduction in Prevention activity
- Retained Duty System (RDS) Firefighters' part-time employee status
- Firefighter Pay and Pensions

- Capital Issues

Opportunities for mitigation

52. Investment in crime prevention / avoidance can yield cost savings across a range of service areas (e.g. programmes to reduce school vandalism yields a saving in school repairs and maintenance budgets). There is a need to increase the understanding of benefits of the CSP approach across all areas of public services.
53. Given the revenue and capital cost pressures of the FRSs, all three FRSs in Wales are undertaking fundamental reviews of the services that they provide in order to deliver the same, or preferably more, with fewer resources. North Wales used their Risk Reduction Plan (RRP) consultation in 2009 to assess the public's opinion of which services they should be providing and their future financial strategy.

Doing things differently – Fire and Rescue Authorities

54. Any significant change to how services are delivered will require restructuring of employee costs. For instance, all the FRSs are in the process of reassessing what posts are required and which of these posts require operational skills and the premium pay that this commands.
55. South Wales Fire Authority are bringing civilian staff (on green book terms and conditions) in to undertake back office, specific projects and fire communication control which were traditionally undertaken by firefighters.
56. North Wales Fire Authority are moving towards a more efficient use of their middle managers and replacing operational staff in legislative fire safety, when they retire, with civilian staff. Because of green book terms and conditions this will lead to a better service by providing more hours of legislative safety advice for the public and allow other financial pressures to be met.
57. Mid & West Wales Fire Authority are piloting an alternative crewing system that will allow for the maintenance of high standards of emergency response delivered by a smaller number of staff. For the FRAs, it will only be by employing people on different terms and conditions that the number of posts will be able to be reduced.

Information sharing

58. Over the past few years all parts of the public sector have been collecting a great deal of information about the services they provide. If this information could be shared and adequate investment was given to analysing it then funding and efforts could be evidence led and targeted at those areas where it is needed most. This issue has been taken forward within the police service across the UK through the National Intelligence Model which introduced Intelligence Led Policing however a greater understanding needs to be developed within police forces at operational level so that the intelligence is used to target resources effectively.

Gwynedd CSP has employed a partnership analyst in order to improve the partnership's performance through the enhancement of intelligence based policy capabilities. The analyst's role is to ensure effective intelligence gathering and sharing processes across the partnership, particularly through developing the use of data sharing powers in order to support effective business planning for the partnership and its members enabling them to provide a better service that meets the needs of Gwynedd's residents.

59. This is also a key work stream for the four Welsh Police Forces over the next three years, as they work through their "Intelligence and Interoperability Project". The primary aim of the project is to allow staff from the four Welsh Police Force Intelligence Bureaus and other central services to have access to the four Welsh Intelligence systems. The principle of information sharing is the mainstay of this project. This will begin with the standardisation of policies, processes and procedures in relation to information, intelligence and data management across Wales. The longer term vision, as set out in the ICT Collaboration Strategy for Wales is to synchronise the change of Police ICT systems across Wales so that they become one system servicing the intelligence management of Wales.

Collaboration

60. By their very nature, Community Safety Partnerships are reliant upon collaboration between a wide range of organisations within a local authority's boundaries. There is also scope for greater collaboration across local authority boundaries, especially where there are issues around economies of scale where they are less able to afford the intensive social interventions that have been shown to produce results.
61. The four police authorities in Wales are already collaborating widely across a range of Policing Services. PAW provides a governance mechanism through which collaborative operational units are delivered and oversees a programme of work aimed at expanding collaboration into more areas of policing and business support.
62. The four Police Authorities are jointly funding a Deputy Chief Constable position and a Central Team of staff charged with taking collaboration forward in accordance with the aims and objectives set out in the National Policing Plan for Wales 2010-2013, utilising a budget of over £10.5 million.
63. Programme Development work is aimed at implementing and continuing to identify opportunities for collaborative working in order to increase efficiency and effectiveness across the whole range of Operational and Support Services provided by/ to Police Forces in Wales.
64. There is a strong tradition of inter-service collaboration between all three FRAs, whether this is in the field of joint policy formation, recruitment and selection processes or the procurement of operational equipment, smoke alarms, intervention equipment and fire appliances. At the moment all three FRAs are in the process of jointly procuring replacement Personal Protective Equipment for all the firefighters in Wales.
65. Building upon this sound basis there is still more that can be done both on an all Wales basis and with other emergency services. Currently there exist a number of joint facilities including the Joint Communication Centre in North Wales and shared fire, police and ambulance premises. The success of combined back office services with neighbouring Police and Local Authorities has been proved and this model will be progressed further, along with joint funding of interagency posts. However these alone, will not compensate for the anticipated reduction in funding.

Conclusions

66. The main challenges for FRSs are going to be around reducing revenue costs, in a relatively short time frame, without reducing preventative work which would have the knock on effect of increasing costs for both the FRSs and other public sector services.
67. Issues such as the lack of capital for FRSs and what will replace the retained duty system of employing firefighters cannot be ignored in the medium term because of the major long term implications for fire cover in Wales.
68. All Police Authorities and Forces in Wales are actively engaged in pursuing opportunities to deliver services more effectively and efficiently both collectively and individually with each other and partners.
69. The police service in Wales makes a key contribution towards delivering WAG outcomes across many service areas and therefore a viable police service is essential to successful delivery of these going forward.
70. Community Safety Partnership work is at very real risk as financial constraints take effect, both through a reduction in grant income and the potential for partners to focus on their own organisations.
71. A very real concern for Community Safety Partnerships, Police authorities and Fire and Rescue Authorities across Wales is that high levels of public expectation can be raised during a period when there will not be additional resources to deliver new initiatives which runs the risk of fundamentally undermining public confidence.
72. The social consequences of a weak economy require an effective policing service with the capability and capacity to meet growing demand.

Strategic Context

1. Excessive use of cars is starting to threaten people's quality of life and the environment. Congestion has a negative impact upon prosperity, quality of life and, through poor air quality and road safety, public health. Emissions of carbon dioxide are a main contributor to climate change. By 2011, the WAG has committed to overall reductions of 3 per cent p.a. in carbon emissions in areas of devolved responsibility, which include transport. A carbon reduction target has now been identified for the transport sector in the draft climate change strategy for Wales (still subject to change prior to publication in the Autumn): by 2020 emissions are to have reduced to between 5.0 and 5.93 MtCO₂e against a baseline of 7.14 MtCO₂e. This is one of a number of sector targets which, together, will contribute to meeting the overall 3 per cent target. Road transport is responsible for around a quarter of total emissions covered by the 3 per cent target. Road traffic also accounts for over half of total emissions of nitrogen oxides and particulates.
2. The strategic context for transport is set in against a wide-ranging and complex cross-cutting policy context. The box below shows that transport features in a number of Wales and UK policy documents. At a service level this is complemented by a number of Welsh strategies at national and regional level.

UK and Wales policies and strategies	Transport-specific policies/strategies
<ul style="list-style-type: none"> • One Wales : A progressive agenda for the government of Wales • Sustainable Development Scheme and Action Plan • Planning Policy Wales • Wales Spatial Plan • Environment Strategy for Wales • Planning Policy Wales: Technical Advice Note 18: Transport • Creating Sustainable Places • Iaith Pawb • Climate Change Strategy for Wales • Capturing the Potential: A Green Jobs Strategy for Wales. • The DfT report Low Carbon Transport: A Greener Future 	<ul style="list-style-type: none"> • The Wales Transport Strategy – One Wales: Connecting the nation. • The draft National Transport Plan. • The Regional Transport Plans prepared by the four regional transport consortia. • The Welsh Transport Appraisal Guidance (WelTAG).
	<p data-bbox="826 1473 1433 1541">Welsh Assembly Government Strategic Framework</p> <ul style="list-style-type: none"> • People can travel sustainably, reliably, safely and easily.

3. The recession has had a significant impact on transport services as a result of falling land values and the loss of Section 106 opportunities, which have reduced funding options for transport schemes. The Community Infrastructure Levy (CIL), which came into effect on 6 April 2010, allows councils to raise funds from developers alongside new building projects to help build infrastructure, such as new schools, hospitals, roads and transport schemes as well as libraries, parks and leisure centres. From April 2010, Section 106 agreements are only permitted if they are directly

related to the new developments. By 2014 Section 106 agreements will be scaled back further to ensure they operate effectively alongside CIL.

Current Performance

4. Section 41 of the Highways Act 1980 places a statutory duty on local authorities to maintain the safety of publicly maintained highways. To discharge this duty and avoid litigation in the face of constrained budgets, there has been a tendency for reactive rather than proactive maintenance leading to greater 'whole life cost'. In some instances third party claims are increasing and can exceed maintenance budgets. Highway schemes (including maintenance; junction improvements) provide a potential outlet for a fiscal stimulus with a short lead in time that can bring benefits to the operation of the wider economy and provide employment opportunities.
5. Anecdotally, there appears to be an increase in the numbers of people deciding to take holidays within the UK rather than overseas. While an increase in the numbers coming into Wales for their holidays does have positive benefits for the Welsh economy, it does put increased pressure on the transport infrastructure.
6. Local authorities are responsible for maintaining all public highways in Wales, apart from motorways and trunk roads. Across Wales the road network is just over 34 thousand kilometres in length. Over half is "unclassified" or minor roads. Authorities report on two national strategic indicators relating to the condition of principal and non-principal roads. On principal 'A' roads, in 2008-09 performance ranged from 1.03 per cent in a poor condition in Flintshire to 11.36 per cent in Rhondda Cynon Taf (see Appendix 1). On non-principal/classified roads the range was from 3.03 per cent in Flintshire to 13.69 per cent in Blaenau Gwent.
7. The Local Road Maintenance Backlog Model was developed jointly by WAG, the Welsh Local Government Association (WLGA) and the County Surveyors Society (CSS) Wales and is used annually to calculate the value of maintenance backlog by authority and road class. In 2008-09 the backlog was estimated to be about £140 million (discounting 8 per cent of the network assumed to be in need of maintenance at any one time). Since 2007-08 a £15 million per annum Local Roads Maintenance Grant (LRMG) has helped authorities to address the backlog. It has not only provided additional funds but has also helped to protect budgets in local authorities.
8. For 2010-11 WAG has allocated £5 million for the LRMG. £300,000 of the total of £5 million will be allocated centrally to promote asset management best practice and better ways of working to benefit all local authorities. Discussions with the CSS and the WLGA will take place shortly to agree how the benefits from this funding can be maximised. 5 per cent of the remaining £4.7 million is to be spent specifically on the maintenance and repair of cycleways. The condition requiring local authorities to continue their historic levels of spend on road maintenance will be maintained.
9. The current target of not more than 8 per cent of the network requiring maintenance at any one time is essentially qualitative, based on engineering judgement regarding the optimum balance between outstanding maintenance and network service levels and equates to carrying out maintenance on a section of road approximately once every 12 years. In order to implement best practice asset management, further work

is required to develop a more robust target relating level of maintenance directly to the required performance of a route.

10. In addition for 2009-10, Welsh Assembly Government provided a £2.75 million revenue grant to assist local authorities deal with the immediate effects of the adverse weather in January 2010 and could be used for both initial operations to make the carriageway safe and more permanent localised repairs to halt more widespread deterioration of the road pavement. There is substantial qualitative evidence to suggest that the recent adverse weather has exposed a large number of defects in road pavements across Wales resulting in the formation of numerous potholes.
11. From 1 January 1999, road bridges in the UK had to be assessed and if necessary strengthened or replaced, to accommodate 40 tonne vehicles. Sub standard structures whose potential failure mechanisms are progressive and can be monitored have been kept in service with appropriate inspection regimes or been subject to weight restriction. Ultimately they will need to be replaced.
12. There is evidence of better project management to reduce waste and tighten up on financial control and an increase in planned maintenance wherever possible, resulting in more effective use of resources than with response maintenance (see chart 1 in Appendix 2). The PricewaterhouseCoopers report recommended improving project management capacity across local authorities.
13. Collaborative working at a regional level is via the four Regional Transport Consortia. This is one of the few service areas to have successfully established governance arrangements for working at the regional level. This allows a more strategic approach to deployment of resources. Evidence includes the production of four Regional Transport Plans, approved by the Welsh Assembly Government in December 2009, and the distribution of funding available for transport schemes. For 2010-11, £22 million has been allocated to enable the Regional Transport Consortia to deliver against the Regional Transport Plans in addition to the funding of £46 million provided through the Transport Grant for major trunk road schemes. This reflects the continued transition from the Transport Grant funding mechanism, as the current programme draws to a close, towards the new funding arrangements as part of the National and Regional Transport Plans.
14. There are examples of partnership working with the Welsh Assembly Government, including Trunk Road Agencies, the All Wales Weather Forecasting Service, the All Wales Road Condition Survey Contract, Road Safety Wales, the Community Transport Association Wales and the Wales Road Casualty Reduction Partnership (GoSafe). There are also examples of local authorities working with other partners including Sustrans, on projects which focus on improving the built environment for walkers and cyclists and/or initiating behaviour change toward sustainable forms of transport. These include the development of the National Cycle Network and "Bike It" a pilot school based project that aims to increase the number of children cycling to school.

Sharing of Professional Expertise Conwy and Denbighshire have made a joint appointment to Head of Highways and are currently considering a joint service for street maintenance and street lighting. Joint ventures for professional services with the private sector are in place in South East Wales (Capita Gwent and Capita Glamorgan). Over time, teams of staff could move around regions depending on where investment is taking place. Both consultancies expect to grow in the next 12 months. There is already extensive procurement / outsourcing from specialist external providers to achieve cost efficiency.

15. A number of invest to save measures have also been put in place, such as investment in more efficient street lighting units (e.g. using prudential borrowing). Some authorities are also spending money on their roads and footways to save on insurance claims (see Chart 1 Appendix 2). Indeed, it is not just insurance claims that authorities need to address. If the condition of a highway is raised as a factor in an accident resulting in a fatality, authorities could potentially face a charge of corporate manslaughter with unlimited fines and remedial orders.

Use of Prudential Borrowing. Newport Council has adopted an innovative approach for using prudential borrowing to fund roads maintenance activity. As part of the authority's much-lauded *Project 21* initiative £21m of funding has been secured to resurface the entire road and footpath network over a 3 year period. Already the authority has experienced lower repair activity than last year even after one of the coldest winters in living memory. This should also be seen alongside the procurement gains made when large contracts are tendered and reduction in accident claims against the authority.

16. Authorities also report on a number of other core set indicators. Between 2005-06 and 2008-09 all but two authorities saw an increase in the percentage of adults aged 60+ who hold a concessionary bus pass, resulting in an increase from 74.2 per cent to 82.21 per cent (see Appendix 2). The average number of days taken to repair street lamp failures during the year across Wales in 2008-09 was 4.68 days, with a range from 0.93 to 12.93 days. This is slightly worse than 2007-08 when the average was 4.54 days and the range was 0.88 to 11.99 days (see Appendix 2). Benchmarking activity is undertaken by the CSS.
17. Concessionary bus fares have led to an increase in demand for services. However, increased revenue has enabled operators to invest in their fleet and frequency of services. Demands on the budget continue to increase though, and the operation of the system has been reviewed and a new system is in place.

Key Financial and Operational Risks

Future trends and scenarios

18. The need to reduce oil/carbon dependent forms of transport will become an increasing consideration – partly through choice as public attitudes change (with increasing demands for 'active transport' facilities for walkers and cyclists) and partly through necessity (e.g. 'peak oil'/ anticipated increases in oil prices, with the UK economy driven by a volatile oil price which increasingly sits in the range \$120-150/barrel)⁵⁷.

⁵⁷ - The Oil Crunch: A wake-up call for the UK economy – Second report of the UK Industry Taskforce on Peak Oil and Energy Security (ITPOES) February 2010

19. Climate change will lead to more frequent adverse weather conditions (UKCIP data), requiring more resources to deal with floods/increased winter maintenance requirements as evidenced in the previous two Winters.
20. A DFT report published in 2009 (Low Carbon Transport: A Greener Future) identified that our transport system will be totally different by 2050 if we respond successfully to the challenges of climate change. Measures such as decarbonising of road and rail transport, transfer of freight to rail and water, far greater 'active transport' (walking and cycling), better use of information to reduce travel demand, smart ticketing, better spatial planning will be needed, all contributing to the achievement of the carbon reduction target in WAG's Climate Change strategy.
21. The Low Carbon Regions work by the Sustainable Development Commission (SDC) on smarter transport choices, by Spatial Plan area (recognising rural/urban issues), is also informative in this respect. The SDC recommends a hierarchical approach as follows:
 - Measures that reduce the demand to travel.
 - Measures that encourage a shift to more sustainable / more space efficient modes (e.g. cycling, walking, public transport). This may include improving facilities for cycling and walking.
 - Measures that promote more efficient use of existing modes (e.g. car sharing, measures to increase load factors on public transport).
 - Measures that increase capacity for powered transport (only once 1-3 have been exhausted).
22. Many of the priority measures require action by local authorities – e.g. in terms of local and regional planning, provision for sustainable/active travel, provision of community level information.
23. The Flood and Water Management Act 2010 will bring wide ranging changes to the management of flood risk. Local authorities in Wales will become the Sustainable Drainage Systems (SUDS) Approval Body (SAB), with responsibility for the approval and adoption of drainage systems in new developments and redevelopments. These duties will be subject to exemptions and thresholds which will be set out in Regulations which are under development, in preparation for a consultation which is anticipated towards the end of this year. It is of particular relevance for highway authorities, who will become statutory consultees in the SUDS approval process and be required to exercise their duties with respect to publically maintained highways which are also drainage features in accordance with the SAB approved plan and SUDS National Standards.

Opportunities

24. There will be a need for investment in new types of infrastructure to facilitate changes in travel behaviour (e.g. park and ride schemes, bus corridors, cycle lanes, Intelligent Transport Systems, electrical 'plug-in' points, LPG service outlets, port facilities). This will create additional funding pressures. However, once behaviour has changed this can bring social, economic and environmental benefits and efficiency savings to the wider economy and society through reduced congestion, more active

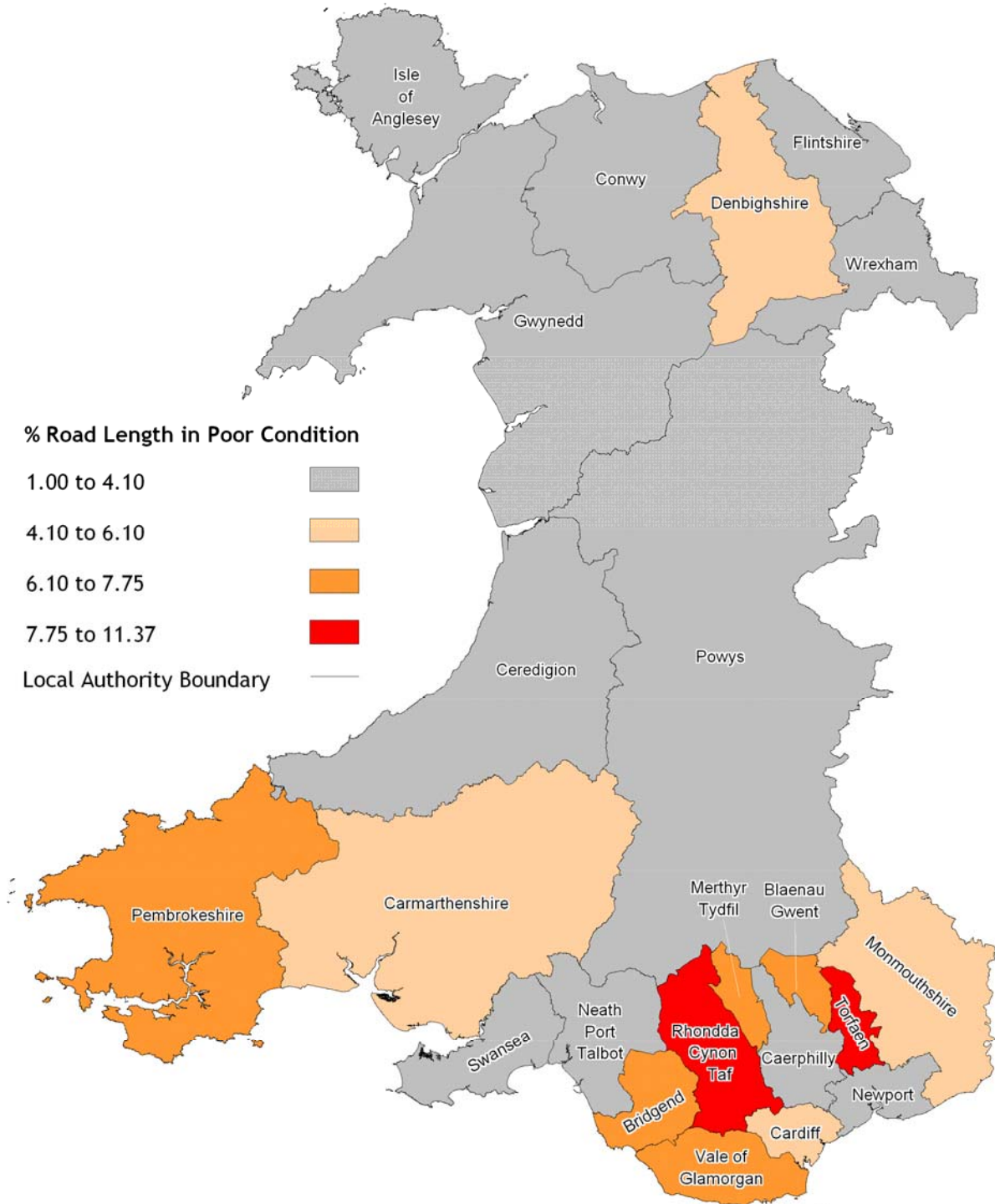
travel (e.g. healthier workforces) etc. It will also make a contribution to carbon emission reduction (viz. the potential cost implications of climate change on transport infrastructure including damage from flooding, landslips, extremes of temperature, foundation weakening etc).

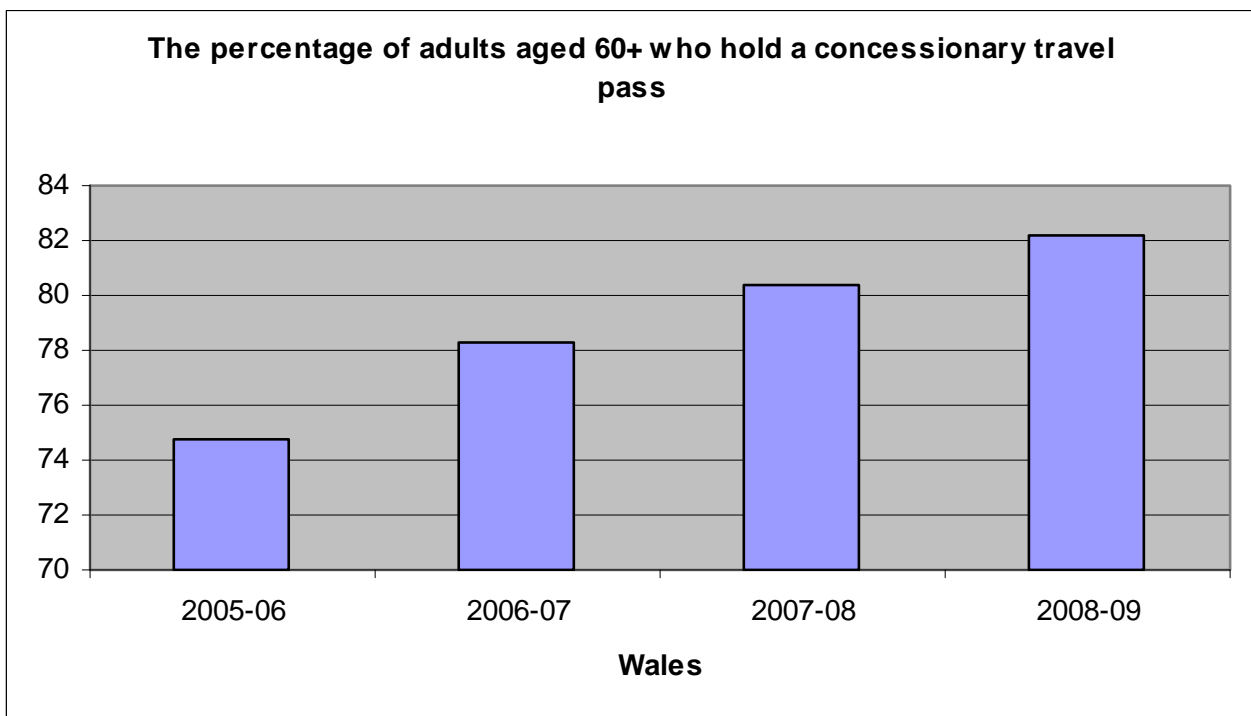
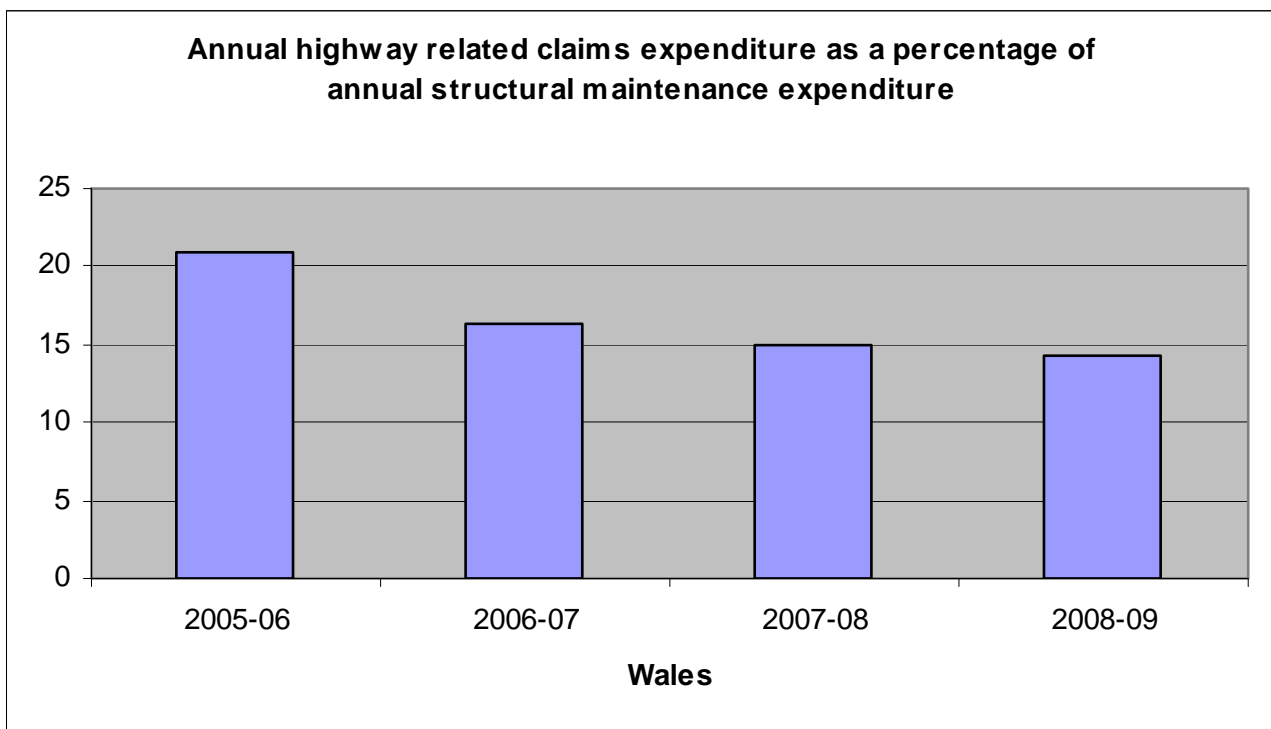
25. The potential of electric cars (especially using renewably sourced energy) has been recognised by the Climate Change Commission, amongst others, as a way of reducing the carbon impact of private transport. They now attract a public subsidy of up to £5,000 to encourage demand and give a 'green' stimulus to the economy. Large scale take-up could require investment in infrastructure (and electricity generating capacity) – including public electricity points for recharging batteries (to supplement sector 'battery switch stations').
26. The Community Infrastructure Levy may provide income for highways and transport schemes in future and new, innovative forms of financing may need to be explored (e.g. Local Asset Backed Vehicles – public assets, private capital). Road 'tolls' and congestion charging are options for heavily used, major roads and were considered by Cardiff. Generally, however, they are not appropriate for the road network in Wales.

Opportunities to Mitigate the Risks

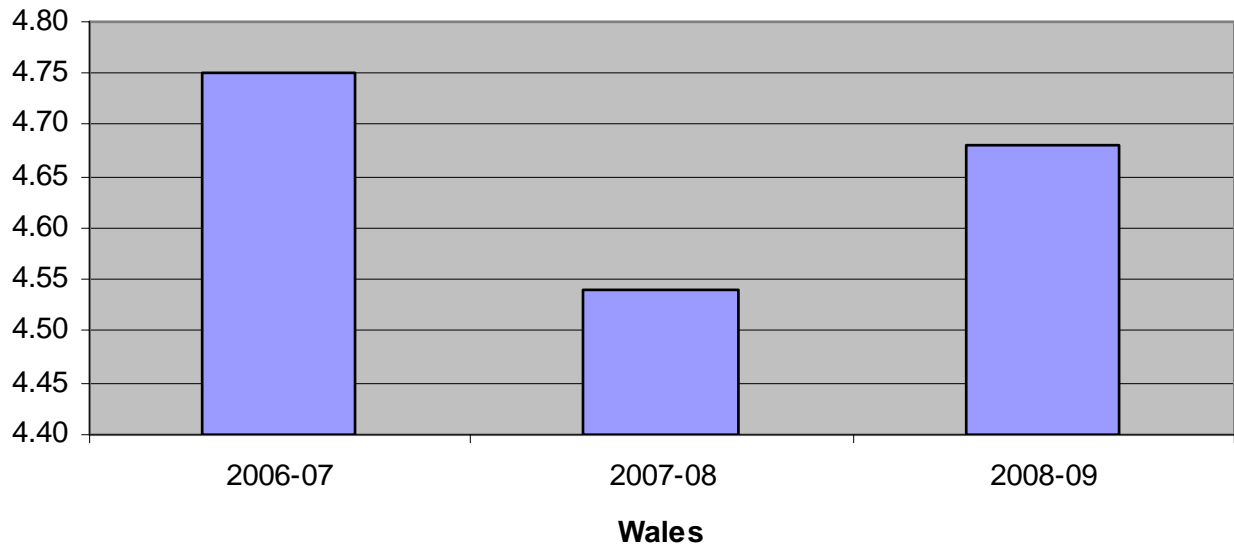
27. The risks would be mitigated by the continuation of the LRMG to local authorities and maintenance of full funding for concessionary fares as long as this policy is pursued. Maintenance of the level of resources for transport services is crucial but removal of hypothecation would give local authorities the discretion to prioritise according to local needs. It is also important for local government to have clarity over the carbon reduction targets for transport and budget levels with between year flexibility where possible.
28. For its part local government will continue to explore all options for using prudential borrowing and 'invest to save' opportunities as well as invest where possible in project management skills. Authorities are also looking into opportunities for innovative public-private partnerships and further collaborative / partnership working in the delivery of services both between local authorities and the WAG in delivering highways and truck road services (economies of scale, combined purchasing, integrated service provision etc).

Condition of Principal 'A' Roads by Unitary Authority 2008-09





The average number of calendar days taken to repair street lamp failures during the year



Strategic Context

1. Sustainable economic regeneration is a cross-cutting issue that depends on appropriate inputs from other service areas. These include education and workforce development, environment, spatial planning, care for the non-working population, transport and ICT links, community development and community safety as well as inputs from partners and local communities themselves. In that sense, this chapter cannot provide comprehensive coverage of the issues – many of those raised in other chapters are also relevant.
2. Accordingly, this is reflected at the European level in the European Commission's recent 10-year strategy for 'smart, sustainable, inclusive growth' (Europe 2020; 2010). This document, which puts innovation and 'green growth' at its heart, sets 5 headline targets at EU level, to be adopted by Member States, as follows:
 - To raise the employment rate of the population aged 20-64 from the current 69% to at least 75%
 - To achieve the target of investing 3% of GDP in research and development (R&D) in particular by improving the conditions for R&D by the private sector, and develop a new indicator to track innovation
 - To reduce greenhouse gas emissions by at least 20% compared to 1990 levels or by 30% if the conditions are right, increase the share of renewable energy in final energy consumption to 20%, and achieve a 20% increase in energy efficiency – all by 2020
 - To reduce the share of early school leavers to 10% from the current 15% and increase the share of the population aged 30-34 having completed tertiary education from 31% to at least 40%
 - To reduce the number of Europeans living below national poverty lines by 25%, lifting 20 million people out of poverty.
3. Appendix 1 shows Wales' current baseline position in relation to these targets. Whilst the targets are the subject of much discussion, and there are important issues of accountability to be worked through, they do indicate a shift in thinking about economic strategy. In particular, an increased focus on resource efficiency has emerged and this is also becoming evident at the U.K and Wales levels. This is partly because of financial necessity and because other investment opportunities have 'dried up'. However, it is also due to serious concerns about climate change. This is relevant to all service areas but is of particular significance to regeneration, where it opens up some real opportunities.
4. EU, national (UK and WAG) and local government policies are encouraging a more rounded, sustainable view of development with resource efficiency and carbon reduction integral to planning and decision making. The smart investments and initiatives are those which result in economic benefits and employment whilst also contributing to wider social and environmental well-being and/or to more sustainable, less resource-intensive lifestyles. In this sense, economic regeneration activities have the potential to

make a contribution to virtually all of the strategic outcomes that have been identified by WAG and many of the objectives in local authorities' community strategies.

5. Within Wales, WAG is currently consulting on an Economic Renewal Programme which involves "a major review of the approach to economic development in Wales and how we can position our economy for the future". Resource efficiency can be expected to feature strongly and a number of recent WAG policy documents should be highly influential in this respect.
6. WAG's Sustainable Development Strategy (One Wales: One Planet; 2009) states that: "over a generation, we will need to reduce by at least two thirds the total resources we currently use to sustain our lifestyles". In launching its Green Jobs Strategy (2008), WAG issued the following statement: "The aim is to support businesses to remain competitive by reducing operating costs and developing sustainable products and processes, to promote the commercial and job creation opportunities that will arise from pursuing the resource efficiency agenda, and to maximise the contribution by businesses to meeting the Welsh Assembly Government's environmental targets. Ministers see this agenda as a core issue for economic development and climate change".
7. This thinking also informs WAG's Energy Policy Statement (March 2010) which suggests there is potential for £50bn of investment in large renewables and other low carbon electricity projects over the next 10-15 years in Wales. The statement includes the goals of:
 - Maximising energy savings and efficiency to improve prospects of producing most of our energy from low carbon sources
 - Moving to low carbon energy production via indigenous renewables
 - Maximising economic renewal opportunities for practical jobs and skills.
8. WAG's Social Enterprise Action Plan (2009) showed how the social enterprise model (i.e. organisations operate on a business basis but are committed to social and/or environmental causes that improve quality of life) are particularly well-suited to current economic circumstances/regeneration needs. They provide job opportunities whilst simultaneously tackling social and environmental issues –achieving the types of sustainable outcome that are increasingly sought/needed.
9. Finally, making best use of human resources/capital as set out in Skills that Work for Wales (2009) is also part of sustainable regeneration. Investment in individuals/communities (e.g. through Communities First) to help them realise their full potential is as much part of regeneration as the issues covered above.
10. Virtually all aspects of local government service can make a contribution to the effective functioning of the local economy and successful economic regeneration. Consequently, a cross-cutting approach to economic regeneration is needed within authorities. Likewise, many different parts of WAG have to be engaged to deliver a co-ordinated approach.
11. The table below gives an indication of how a 'whole government' approach to sustainable economic renewal is mirrored by involvement of a variety of local authority service areas.

WAG Department	Regeneration issues, roles and functions	Related local authority functions/activities
Economy and Transport	Business support Infrastructure (transport, broadband), Enterprise Premises and facilities, European structural funds	Local transport authority Economic Development / business support Land reclamation Drainage Property ICT support European teams
Children, Education, Lifelong Learning and Skills	Education and Skills, Labour market participation Workforce issues Economic inactivity Higher and Further Education Research and Development	Local education authority Community education Community development Personnel
Environment, Sustainability and Housing	Strategic Regeneration Housing Planning Energy Waste (resource management) Environmental protection	Planning authority/Local Development Plan Urban renewal/regeneration Housing services Property/Energy Waste collection and recycling Countryside, habitats, biodiversity
Social Justice and Local Government	Business rates Community Regeneration Social Enterprise Social Inclusion	NNDR collection Community regeneration Equalities Community safety
Heritage	Tourism	Tourism
Business/ Finance	Procurement Spatial Plan	Procurement Spatial Plan
Health and Social Service/Public health	Well-being	Social Services Health, Social Care and Well Being Plans

12. Depending on how radical the Economic Renewal Programme is, it could result in some substantial changes in what WAG does and the way various budgets are deployed in support of economic regeneration. It could also highlight areas for action that will, at least in part, fall on local government – e.g. in relation to planning and procurement activities. Given the close interaction with local authorities in the fields of economic development and regeneration the review can be expected to have implications for local authorities' own activities. Until the outcome is known, however, it is difficult to gauge what, if any, the financial implications for local authorities will be. The expectation is that there will be an emphasis on more effective use of existing budgets, with a close look at who does what and who should consider stopping doing certain activities. Ultimately, both WAG and local authorities will want to identify a set of services which, combined, will offer the most appropriate and effective support to local economies.
13. For local authorities, the performance of the local economy has a major influence on the demands for their services and on their own financial position. The volume and type of business activity drawing on the local labour market, the numbers and quality of job

opportunities and the levels of unemployment in an area can have an impact on, for example:

- Levels of council tax and rent receipts (and arrears)
- Rental income from managed business units
- Take up of free school meals
- Demand for council housing
- Planning applications and fee income
- Income from leisure centres, car parking etc
- Staying on rates in school
- Numbers of NEETs (not in education, employment or training)
- Environmental enforcement (flytipping/empty properties/dereliction)
- Community safety issues
- Congestion levels
- Demand for public transport services
- Pollution and air/water quality
- Domestic abuse
- Mental health services
- Childcare

14. In general, a strong local economy is better for local government finances and puts less pressure on services. It follows that the recession will have impacted negatively on councils' finances. Supporting successful and sustainable economic regeneration should therefore form an important part of authorities' strategies for coping with the coming years of financial constraint.

Current performance

15. There are no Performance Indicators relating specifically to the Economy or Regeneration. However, in light of comments in the foregoing sections, it follows that performance in a wide variety of service areas (education, planning, transport etc) and reported elsewhere in this ESG report affects regeneration potential.
16. It is possible to look at economic statistics such as levels of / changes in unemployment missing (see Appendix 2). However, unemployment is a 'lagging indicator' influenced by many factors beyond WAG's and local authorities' control. It is therefore not easy to demonstrate clear causality between economic regeneration efforts in an area and local unemployment trends.
17. In terms of macro-economic performance, the contraction in the U.K. economy over the six quarters of the recession was 6.2% - the biggest fall since the Great Depression. Recovery began in the fourth quarter of 2009 when GDP grew by 0.3% on the previous three months. The Treasury has projected growth of 1.25% in 2010/11 and the latest survey of independent forecasts assembled by the Treasury is expecting growth of 2% in 2011. Recovery is being helped by the low value of sterling and loose monetary policy (base rates have been held at 0.5% since March 2009 and the Bank of England has injected £200bn into the economy through 'quantitative easing').
18. Steep falls in GDP have not led to unemployment rising as fast as anticipated, whilst lower interest rates have helped temporarily to shield households and businesses in

terms of the costs of their borrowing. However, once base rates move upwards and as inevitable public expenditure cuts start to impact, so local economies are likely to experience a second wave of recession.

19. Latest GDP figures from Eurostat revealed that Wales' GDP per capita in 2007 was 86.9% of the EU27 average whilst West Wales and the Valleys' GDP was just 73.4%. Outturn GDP figures for 2008 and 2009, which take in the main period of the recession, are unlikely to have recorded any improvement in this position. Consequently, depending on whether a 75% threshold is still used, West Wales and the Valleys could well qualify for Convergence funding when the current programmes end in 2013. In one sense this could be seen as reflecting negatively on the performance of central and local government in their use of European funding to date, their contribution to economic performance and their regeneration activities. However, looking at the current programmes for example, the £1.9bn of structural funds available in 2007-13 have to be seen in the context of a Welsh economy of £40bn+ per annum – i.e. over the six years of the programmes it amounts to less than 1% of a total of say £240bn+.
20. In relation to the performance of targeted initiatives there has been relatively little research to identify the effectiveness of these interventions. This is an issue that the new Centre for Regeneration Excellence in Wales plans to address, undertaking research to evaluate the impact of regeneration activities throughout Wales and spread good practice.
21. In relation to the SRAs it is relatively early to assess their impact. However, some indication can be provided as follows:

Future trends and risks

22. Looking ahead, risks for economic regeneration include:

- **Double dip recession** – with private sector recovery undermined by public sector cutbacks and continuing constraints on finance for business and investment
- **Climate change** and the need to rethink traditional (carbon-intensive) approaches. Unchecked climate change has been identified as one of the greatest long term threats to economic development and individuals' livelihoods, whereas taking action to mitigate and adapt to anticipated changes can actually generate new business opportunities. The U.K. **Budget 2010** stated that: "Meeting emissions targets will require a transformation in the U.K.'s economy. By 2050, every unit of economic output will need to be produced using on average one-tenth of the carbon used today.... Support for the low-carbon economy is central [to strong, long-term sustainable growth] as it will provide new opportunities in key growth industries of the future".
- **Failure to grasp 'green economy' opportunities** in the face of competition from other areas that are also targeting this growth sector
- **Job losses and change associated with the move to a 'green economy'** – whilst there is potential to take advantage of low carbon transition there are also serious risks: Bevan Foundation (*Green Jobs and Justice in low carbon Wales*; 2010) has highlighted that changing to a low carbon economy will involve a major restructuring of production and employment and has asked who will pay the price? In the UK, the Welsh economy is shown to be most at risk of change because of the importance of large carbon-emitting industries (e.g. iron and steel) where around 18,000 jobs could be affected. A

further 100,000 jobs are in sectors likely to see significant change (e.g. power generation, automotive, construction). The scale of change in consumption that would be required to achieve 'one planet living' would have a far more fundamental impact on all economic activities.

- **Slow spending on European funding programmes** and shortages in match funding leading to sub-optimal use of the funds available
- **Possible loss of future European structural fund support** in particular for the current Competitiveness areas post 2013
- **The review of the Common Agricultural Policy** and its relationship with Cohesion Policy
- **Lack of a clear lead from the Wales Spatial Plan** in terms of ensuring regeneration efforts are strategically co-ordinated across Wales
- **Cuts in budgets** for economic regeneration activity as resources are focused on statutory activities and pending the outcome of the Economic Renewal Programme
- **Loss of expertise** and understanding as a result of cutbacks and early retirements/non-replacement of posts

Opportunities / mitigation of risk

23. Embracing the resource efficiency agenda does help to mitigate some of the risks outlined above. It provides an alternative investment (with a rate of return) to property-based regeneration and offers an 'invest to save' approach that could reduce – or at least maintain – operating costs moving forward. In this sense, it provides assistance to businesses, communities and councils themselves in trying to manage through difficult financial times and to 'future proof' themselves against rising resource costs and the changing climate. At the same time, opportunities to eliminate any duplication in activity between WAG and local authorities and to look at possibilities of conducting some operations at a regional level should be investigated so that reduced budgets and losses of staff do not necessarily result in lesser service.
24. Efforts must continue to streamline the processes that have been established for administering European funding. These funds can help areas sustain economic regeneration activity over the coming years but we must learn from good practice and share learning so that the process acts as less of a deadweight. Given the potential benefits of economic regeneration to wider social and environmental objectives outlined earlier, it is important that match funding is directed to this area of spend given the opportunities for leverage of additional funding.
25. Meanwhile, it will be important to maintain lobbying efforts in relation to transitional funding as the European programmes come to an end. Whilst the latest Eurostat figures suggest that West Wales and the Valleys may secure a further round of funding, planning for when the funds are no longer available has to start now. Likewise, monitoring and inputting to discussions on the future of CAP will be important to ensure that Wales' interests – and rural areas in particular – are protected.
26. In relation to the green economy, the U.K. government's approach is structured around four core objectives:
 - Enabling investment in large scale low carbon infrastructure
 - Supporting investment and growth in U.K. based supply chain businesses

- Providing co-ordinated support for research and development and for businesses commercialising new low-carbon technologies; and
- Facilitating finance for households investing in energy efficiency.

27. In 2009, the UK Government published its 'Low Carbon Industrial Strategy', 'Building Britain's Future: New Industry, New Jobs' and 'Investing in a Low Carbon Britain'. The latter highlights current projections that by 2014/15 the low carbon and environmental goods and services (LCEGS) sector in the UK could be worth as much as £150 billion. Indeed, this will be one of the main areas of increased activity in the economy – but all parts of the U.K and other countries will be focused on this potential too. For Wales, the Bevan Foundation has called for a high level group led by the First Minister to drive the transition to low carbon, to focus on the opportunities but also to produce action plans to protect vulnerable sectors, their workforces and the communities that could be most heavily affected.

28. The sectors identified where the U.K. could play a leading global role in the low carbon economy are all highly relevant to the Welsh economy:

- **Carbon capture and storage** – investment is taking place to move towards commercial deployment of the technology
- **Offshore wind generation** - The Carbon Trust has estimated that the offshore wind sector could create up to 70,000 jobs in the UK and up to £8 billion in annual revenues by 2020. The 2010 Budget also identified up to £60m for development of port sites to support offshore wind turbine manufacturers looking to locate new facilities in the U.K.
- **Marine energy** - the wave power market has the potential to grow in the UK by almost 60% over the next seven years
- **Nuclear energy** – an estimated benefit of £2bn in job creation and investment per reactor
- **Low carbon vehicles** – the automotive industry contributes £9.5 billion to the UK economy and directly employs around 180,000 people – companies are likely to need to switch to production of ultra-low carbon vehicles to survive

29. Practical examples of the opportunities arising from the approach outlined above include retrofitting of residential properties with insulation and microgeneration equipment, development of zero carbon homes and buildings, development of infrastructure for more sustainable forms of transport (including rail electrification), renewable/low carbon energy development (solar, tidal, wind, biomass, nuclear) helping to address energy security concerns, use of recycled materials as feedstock for domestic industry, eco-designed products that have greater scope for refurbishment and re-use, flood defence/resilience schemes, urban greening initiatives, an increase in locally grown food and development of entry level job opportunities that will help to open job opportunities more widely, helping to address inequalities.

30. Similarly, the way procurement is undertaken (by all sectors) has been identified as a critical factor impacting on local economic opportunities. There is increasing recognition that careful attention to specifications can deliver local supplier, local community and environmental benefits which, 'in the round', are better for local regeneration than pursuing the 'lowest cost tender'.

31. Procurement activity can also provide strong signals to the market – for example if all public sector bodies start to include standard requirements (e.g. Somerset Council has introduced bioethanol for its fleet, working with Ford and Gateshead is trialling use of biodiesel) this leads quickly to changes in behaviour on the part of suppliers and stimulates research and development. In the North East of England the commitment to development of low carbon industry has been linked to Nissan's decision to build electric vehicles in its Washington factory, safeguarding thousands of jobs. Some £20m is now being invested in the region to introduce electric charging points throughout the region.
32. In February 2010 Wales was designated a low carbon economic area for hydrogen and low carbon fuel technologies such as natural gas and bio-methane. A range of refuelling points at strategic sites has been proposed. The intention is that this will provide a springboard for alternative vehicle development in Wales, enabling vehicle manufacturers to demonstrate and validate the technology in the UK.
33. In relation to the Spatial Plan a positive recent development has been the Sustainable Development Commission's work on Low Carbon Wales: Regional Priorities for Action (2009). The report argues that low carbon living must become 'citizen easy' and suggested that travel to work, heating of homes and generating clean power should be among Wales' priorities.
34. Across the whole of Wales the SDC identifies the following opportunities:
- A programme of action for the **refurbishment of all existing homes**
 - Significantly increasing energy generation capacity from **community and large scale renewables**
 - Providing the infrastructure and information needed to enable **smarter transport choices** – to enable people to switch to walking, cycling and public transport
 - Significantly increasing the use of **low carbon transport fuels and electric vehicles**
 - Protecting all significant **soil carbon stores**
 - Significantly increasing community and individual **food growing**.
35. It also identifies carbon-cutting priorities for each Spatial Plan region as follows:
- **Central Wales** – Protecting carbon stored in the soil, engaging with communities to maximise the benefits of renewable energy.
 - **North East Wales** – Working with the industrial base in the region to increase resource efficiency
 - **North West Wales** – Promoting local food, generating low carbon electricity, protecting soil carbon.
 - **Pembrokeshire** – Building on the area's status as an energy centre, working with industry to develop low- carbon solutions. On transport - video conferencing and electric vehicle recharging hubs.
 - **South East Wales** – A focus on travel – reducing the need e.g. through teleworking and promoting a shift towards lower-carbon choices e.g. car share, cycling and public transport.
 - **Swansea Bay and Western Valleys** – Working towards a low carbon economy: supporting research and development of low-carbon technologies and exploring opportunities for the knowledge economy in a low-carbon future.

36. CBI Wales, in its 'Blueprint for a green economy' (April 2010) provides examples of major employers in Wales that are already developing, testing and commercialising technologies to set Wales on a low-carbon path. The report endorses the SDC's work and proposes that: "current support for innovation from the Flexible Support for Business (FS4B) must be developed to support our low carbon strengths. To be successful, the strategy must develop a suite of policies to complement markets, working with companies to address market failures across Wales."

37. CBI identifies the largest and fastest growing low carbon industries in Wales as follows:

Largest low carbon industries	Fastest growing low carbon industries
Alternative fuels	Wind
Building technologies	Geothermal
Wind and geothermal	Biomass
Water and waste water	Photovoltaics
	Wave and tidal

Source: CBI Wales

38. Wales has a comparative advantage in a number of these areas which need to be looked at comprehensively to identify a clear vision of the priorities to secure maximum regeneration potential. In doing so, Neil McInroy, Chief Executive for the Centre for Local Economic Strategies, has spoken more generally about the need to: "develop a sophisticated appreciation of the relationship between economic development, growth, inequality and low carbon. This would mean, for example, that business support policy is also low carbon transition policy. It would mean that community development policy is environmental activism. It would mean that the young workless are trained as the carbon army".

APPENDIX 1: Wales' baseline position compared to EU 2020 targets

The following is an attempt to set out how Wales currently performs in relation to the headline EU targets set out on page 1:

- **Employment rate of the population aged 20-64** – according to the latest Annual Population Survey information (for July 2008 to June 2009) the employment rate for the working age population in Wales^[1] was 69.4%. The age range is slightly different but the figure for Wales is close to the EU average and the target is to increase this to 75%
- **Investment of 3% of GDP in research and development (R&D)** – at the time of *A Winning Wales* in 2005, the target was to increase expenditure on R&D by businesses in Wales to 1% as a percentage of GDP by 2010. However, in 2008 private sector R&D accounted for only 0.5% of GVA (total expenditure £243m). Expenditure on R&D would have had to have roughly doubled since then to hit 1% by 2010 and this almost certainly has not happened. The 3% EU target also includes public sector R&D. The European average for total R&D is currently below 2% compared to 2.6% in U.S. and 3.4% in Japan. Local government activity in this area has been very limited, although universities in Wales have benefited under the Structural programmes supporting R&D.
- **Reduction in greenhouse gas emissions compared to 1990 levels; increase the share of renewable energy in final energy consumption and achieve an increase in energy efficiency** – On greenhouse gas emissions, WAG has committed to achieve annual carbon reduction-equivalent emissions reductions of 3% per year by 2011 in areas of devolved competence. This will include specific sectoral targets in relation to residential, public and transport areas. It will also include working with the heavy industry/power generation industries to reduce emissions in those sectors. In relation to renewable energy, Wales' current electricity consumption is around 24TWhr per year. With sufficient innovation and investment, the right Government framework and public support, WAG believes it could produce around 33TWhr per year of electricity from renewable sources - with about a half of this from marine, a third from wind and the rest mainly from sustainable biomass (from indigenous and imported material). In relation to energy efficiency, there are plans for £350m of investment in home energy efficiency over the next three years under the Arbed initiative.
- **Share of early school leavers and share of the population aged 30-34 having completed tertiary education** - In 2008/09, 333 (or 0.9% of) 15-year-olds left full time education in Wales without a recognised qualification. Around 21% of 30-34 year olds in Wales had a Level 4/5 qualification^[2] at the 2001 Census of Population (41,965 out of 198,310).
- **Number of Europeans living below national poverty lines** - Around 700,000 people in Wales live in households below the 60% low-income threshold after

^[1] APS definition of working-age is males aged between 16 and 64 and females aged between 16 and 59.

^[2] **Level 4/5** covers a First degree; Higher degree; NVQ levels 4 and 5; HNC; HND; Qualified Teacher Status; Qualified Medical Doctor; Qualified Dentist; Qualified Nurse; Midwife; Health Visitor.

deducting housing costs (60% of median British household income). This is 24% of the population. To reduce the number by 25% as per the EU target would require 175,000 people to be helped to achieve 'above the line' levels of income.

List of grants for Total Wales

The information shown below details the grants that Total Wales will receive in 2010-11

<u>Grant name</u>	<u>Amount (£m)</u> <u>2010-11</u>
14-19 Learning Pathways	17.803
Appetite for Life Specific Grant	2.400
Better Schools Fund	15.164
Bus Revenue Support	0.600
CBDC Cardiff Bay Regeneration Grants	9.500
Child Trust Fund Reimbursement Grant ²	0.109
Community Focused Schools Grant	4.400
Community Learning	5.965
Community Purposes	2.520
Companion Animal Welfare Enhancement Scheme	1.000
Concessionary Fares Reimbursement Grant ⁵	63.800
CyMAL Grant Scheme ²	1.305
Cymorth - the Children and Youth Support Fund	44.700
Energy Costs Grant ¹	0.000
Fairer Charging Specific Grant Scheme ¹	0.000
Family Literacy, Language and Numeracy LEA Grants ²	1.673
Flying Start Revenue grant	38.044
Foundation Phase Grants	76.000
Funding for Youth Work Training in Wales	0.474
Grant Funding to Pioneer Areas to implement Integrated Family Support team (IFST) model in Wales	1.800
HCW Well-being Activity Grant Scheme	0.550
Implementation of the Strategy for Older People	1.000
Joint Working Special Grant	10.000
Language and Play LEA Grants ²	1.350
Learning Disability Strategy (Resettlement)	32.600
Local Authority Funding to Implement the Mental Health Act 2007	0.266
Local Transport Services Grant	11.300
LSB Development Support Grant ³	0.000
Mental Capacity Act 2005 Deprivation of Liberty Safeguards Funding	0.484
Mental Health Carers Grant Scheme ¹	0.000
Mergers and collaboration budget	3.943
Minority Ethnic Achievement Grant ²	9.600
Performance Management Development Fund	5.264
PFI	34.219
Post-16 Provision in Schools	113.282
Provision and SEN in Mainstream Post-16 Special Schools and SEN Out of County	25.019
Primary School Free Breakfast Initiative ²	0.000
Promoting Independence & Well-Being Grant	4.400

Quality Standard LEA Grant ²	0.626
RAISE: Grant to Support the Education of Looked After Children	1.000
(RAISE) Raising Attainment & Individual Standards in Wales ³	0.000
Read a Million Words LEA Grant ²	0.163
Read A Million Words Library Grants ²	0.136
Resources for Local Planning Authorities	1.540
School Uniform Financial Assistance Scheme	0.770
School-based counselling services	4.228
Schools Special Grant ¹	0.000
Small and Rural Schools grant (targeted support within the Community Focused Schools Grant)	1.600
Social Care Workforce Development Programme	8.670
Social Housing Management Grant ²	2.168
Strategic Intervention LEA Grants	2.572
Support for head teachers and joint working in small and rural schools ³	0.000
Supporting People	77.365
Sustainable Waste Management Grant	73.000
The Autistic Spectrum Disorder (ASD) Implementation Grant ⁴	0.000
The Grant for the Education of Gypsies and Travellers ²	0.900
Teacher Training & CPD LEA Grants	1.200
Tidy Towns	3.000
Welsh Medium Bilingual Grant	1.600
Welsh Network of Healthy School Schemes	0.929
Youth Service Revenue Grant	1.800
Total grants:	723.801



Regional Collaboration Compendium

May 2010



WLGA • CLILC

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Introduction

Regional Partnership Boards and Regional Collaboration

There are four Regional Partnership Boards established as sub-committees of the Welsh Local Government Association: -

- The Central Wales Regional Partnership Board (2 councils)
- The Connecting South East Wales Board (10 councils)
- The North Wales Regional Partnership Board (6 councils)
- The Regional Partnership Forum for South West Wales (4 councils)

The Boards were set up in 2006 in response to the Making Connections agenda set out by the Welsh Assembly Government and given momentum by the Beecham Review. The Making the Connections Improvement Fund assisted the formation of the regional boards by funding the appointment of regional co-ordinators to support the work of the board.

The Regional Partnership Boards consist of the Leaders and Chief Executives of each of the constituent councils and officials of the Welsh Local Government Association.

The purposes of the Regional Boards are determined by a mix of regional and national priorities. All the Boards are committed to improving the efficiency and outcomes of public services delivered by local government singly and in partnership with other public services like the Health Service.

Regional Boards have no delegated powers. They can propose collaborative shared services but the decision to participate in and implement a project rests with individual councils.

At their inception boards took on the delivery of collaborative projects designed to pilot and test the feasibility of services shared by several councils to deliver efficiency and improvement. Most collaboration projects sponsored by the Boards were supported by the Making the Connections Improvement Fund. Typically the fund financed consultants who worked with project teams representing the partner councils and reported to the regional boards. The boards would then either close projects or present them for implementation to their constituent councils.

The bulk of the projects in this compendium arise from the work of the WLGA Regional Boards and their sponsorship of the Making the Connections efficiency agenda. Other arise from leadership from Welsh Assembly Government Departments who channel funding through regional bodies like the education and transport consortia

Regional Boards are powerful and influential bodies by virtue of their membership and their roles have developed and diversified beyond the "Making the Connections" efficiency agenda

The Central Wales Board developed and spun off the "Rural Forum" which has had significant impact on Welsh Assembly Government policy regarding rural affairs.

The South West Forum has developed a strategic leadership role in the region related to Convergence Funding which in turn has led to a groundbreaking regional learning partnership related to skills development and higher/vocational education planning.

The South East Board took an overview of strategic issues facing the region.

The North Wales Board developed a “North Wales Voice” to represent local government to other public services in the region and take up specific issues with the Welsh Assembly Government.

All the Boards provide an opportunity to discuss best practice and share responses to common challenges facing each individual council within the region. The boards have strengthened the corporate leadership of councils and give the opportunity for strategic leadership of professional and service networks to encourage the delivery of collaborative projects.

Regional Boards offer a ready means to provide governance to regional initiatives launched at a national level.

Ministers, director generals and national agencies have seen WLGA regional boards as an opportunity for targeted dialogue. For example Jane Davidson engaged regional boards in the development of recycling and waste disposal policies. All the Regional Boards were instrumental in the development of procurement projects for infrastructure to dispose of residual and food waste.

The first phase of collaboration between 2006 and today has provided the boards with valuable learning and established partnerships and shared services that will inform joint working in the future. There has been marked progress in the development of joint procurement and commissioning.

The continuing commitment of the Welsh Assembly Government to the Making the Connections agenda, the challenge of maintaining public services in a financially challenging environment and the success of the projects in this compendium demonstrate that regional boards and collaboration will remain essential to the delivery of greater efficiency and public service improvement.

Therefore a new generation of collaboration projects is in the making: -

- The North Wales Board has established programme Boards to develop projects that command a wide base of political and professional support and save significant sums of money.
- Central Wales is looking at a joint integrated transport unit and joint delivery of planning services
- The South West Forum is discussing housing services
- Connecting South East Wales has approached the market for ideas on education support services to schools.

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CONNECTING SOUTH EAST WALES

SOUTH EAST WALES			
HIGHER LEVEL TEACHING ASSISTANT			
<p>Higher Level Teaching Assistant (HLTA) status provides an opportunity to recognise the levels of knowledge, skills and understanding that many learning support staff have, and the valuable contribution that they make to raising standards in schools. The Welsh Assembly Government awards HLTA status annually via an assessment route. The assessment programme is carried out by the four consortia on behalf of the Welsh Assembly Government. The South East Wales Consortium carries out the assessment process on behalf of the Welsh Assembly Government. Places are available to applicants from each of the Consortium authorities.</p>			
Partners			
WAG, Schools across 5 LAs.			
Start Date	September 2005	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> Carrying out the programme across the consortium gives the opportunity for delegates to network and share practice The cross LA team who organize the programme have developed a close working partnership which has enhanced closer day to day collaboration. 	
Efficiency Gains		<ul style="list-style-type: none"> preparation and delivery shared across 5 LAs viable cohorts elimination of duplication 	
Contact: Sue Davies via Consortium Office ☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	

SOUTH EAST WALES			
PERFORMANCE MANAGEMENT			
<p>Performance management is a statutory requirement within School Teachers Pay and Conditions and governed by <u>WAG School Teacher Appraisal Regulations 2002</u>. The South East Wales Consortium delivers the performance management system for head teachers on behalf of the 5 members. External advisers are recruited through the LA and carry out the following roles:</p> <p>The role of the external adviser is to:</p> <ul style="list-style-type: none"> • prepare preliminary information based on school contextual information • offer advice and support to the governors and to the head teacher • clarify roles • advise on the appropriateness of targets/objectives • offer further professional knowledge • draft the review statement and agreed objectives • identify monitoring arrangements for the Governing Body • identify training and professional needs for the head teacher 			
Partners			
WAG, Schools across 5 LAs,			
Start Date	September 2002	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> • Carrying out the programme across the consortium gives the opportunity for external advisers to network and share practice during the update training • The fact that the programme is organised on a consortium basis has developed a close working partnership which has enhanced closer day to day collaboration. 	
Efficiency Gains		<ul style="list-style-type: none"> • Preparation, administration and delivery shared across 5 LAs • viable cohorts for training • elimination of duplication 	
Contact: Sue Davies via Consortium office ☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	
SOUTH EAST WALES			

PE AND SCHOOLS' SPORT PROJECT			
<p>The PE and School Sport (PESS) Project was set up in 2000 as a result of a <u>task force report</u> outlining the key actions required to improve standards of PE. The PESS project is managed by the Sports Council for Wales on behalf of the Welsh Assembly. SCW is supported by a national implementation team drawn from PE specialists across Wales. These specialists are also consultants supporting the development of the specialist projects and a team of national trainers to support the delivery of a high quality training programme as part of the project.</p> <p>The project aims to raise standards in physical education by making sure that all schools manage the subject effectively within the whole school curriculum; Set challenging targets for raising standards in physical education and school sport; Provide enough curriculum time to teach the requirements of the National Curriculum for physical education in all key stages; Develop young people's physical skills from one year to the next and improve their understanding of the importance of health and fitness; Raise standards in physical education and school sport by establishing accredited continuing professional development (CPD) programmes for all teachers</p>			
Partners			
WAG, Schools across 5 LAs,			
Start Date	September 2000	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> Carrying out the programme across the consortium gives the opportunity for school based staff to network and share practice during the training The fact that the programme is organised on a consortium basis has developed a close working partnership which has enhanced closer day to day collaboration. 	
Efficiency Gains		<ul style="list-style-type: none"> Preparation, administration and delivery shared across 5 LAs viable cohorts for training elimination of duplication 	
Contact:			
Bethan Frost via Consortium office			
☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	

SOUTH EAST WALES

ADDITIONAL LEARNING NEEDS PROJECT

The project will seek collaborative solutions to service delivery within the provision of additional learning needs, specifically in the following areas:-

- Rationalise all inclusion policy, process and prevention publications;
- Establish a joint resource of online training materials;
- Realise transport savings;
- Establish an integrated service delivery approach - specialist and low/exceptional incidence needs;
- Establish a common information management system;
- Rationalise procurement of specialist provision.

A project plan has been developed and staff resource is being sought to drive the project forward.

Partners

10 south east Wales local authorities

Start Date	June 2010	Projected end date	June 2012
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Project Implementation timescale

Collaborative working Category:	Service Improvement	y
	Efficiencies	y

Effectiveness Gains	The project plan outlines anticipated efficiency and effectiveness gains for each of the project areas.
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Efficiency Gains	As per the project plan.
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Contact:
 Dr Brett Pugh, Chief Education Officer, Newport City Council
 ✉ brett.pugh@newport.gov.uk
 ☎ 01633 233 473

Potential for further partner engagement?	The project could provide a template for collaboration across other areas of Wales, and could potentially involve additional local authority partners in the future.
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**SOUTH EAST WALES
 JOINT APPOINTMENTS**

Bridgend County Borough Council has created a series of joint posts with Abertawe Bro Morgannwg (ABM) University Health Board in a move to become more efficient and collaborative across the two organisations.			
Partners			
Bridgend County Borough Council and Abertawe Bro Morgannwg (ABM) University Health Board			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<p>The following are the posts currently in place:</p> <ul style="list-style-type: none"> • Joint Substance Misuse Commissioning Manager • Joint Health Social Care and Wellbeing Manager • Joint intermediate care manager • Joint intermediate care co-ordinator • Joint mental health management • Joint mental health assistive recovery service • Joint Locality Director • Joint service delivery 	
Efficiency Gains			
Contact: Abigail Harris, Corporate Director of Wellbeing & Social Services ✉ Abigail.harris@bridgend.gov.uk ☎ 01656 642211			
Potential for further partner engagement?			

SOUTH EAST WALES			
ARTSCONNECT			
<p>The project will firstly establish a single regional shared arts service generating efficiencies and enabling much needed focused delivery and regional planning.</p> <p>The aim of the project, is to ensure that local arts services in the region will be more efficient and effective. By integrating provision where it matters most, services will be good value for money and audiences, participants and other stakeholders and customers will benefit from high quality and cost effective services.</p>			
Partners			
<p>Seven local authorities (Blaenau Gwent, Bridgend, Caerphilly, Merthyr Tydfil, Monmouthshire, Rhondda Cynon Taf & Torfaen)</p> <p>Supported by: Arts Council Wales & WLGA</p>			
Start Date	Autumn 2007	Projected end date	Ongoing
Project Implementation timescale		April 2011-September 2011	
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	y	
Effectiveness Gains	<ul style="list-style-type: none"> Improved engagement with people and communities Single focussed and coordinated arts service Regional: artistic programming; marketing; event management; arts development; engagement, participation and policy; approach to sponsorship /external funding; procurement; support services; quality assurance; performance management; shared expertise; single point ticket sales/box office Equal access and spread of resources across the region, these are currently uneven increased capacity through shared skills, single Workforce Development planning 		
Efficiency Gains	<ul style="list-style-type: none"> 10% of total net expenditure across the 7 partners = £380k, over three years; Stabilised funding relationship with Arts Council Wales, through cohesive a funding package 		
<p>Contact: Sally Church or Strinda Davies ✉ sally.church@torfaen.gov.uk or Strinda.I.Davies@rhondda-cynon-taff.gov.uk</p>			
Potential for further partner engagement?		Yes	

SOUTH EAST WALES			
SAFEGUARDING & FAMILY SUPPORT SERVICE (Children's Social Care)			
<p>South Wales Police and the Safeguarding and Family Support service (children's social care) in Bridgend have embarked on a collaboration to improve management of domestic abuse referrals where children are part of the household. Work will include co-location of social services representative with domestic abuse police officers and link in with the local Domestic Abuse Forum. Outcomes will be published by SSIA across Wales.</p>			
Partners:			
Police; multi agency domestic abuse forum			
Start Date	April 2010	Projected end date	March 2011
Project Implementation timescale	4 weeks		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	Co-ordinated approach to include service planning for different levels of need and a more responsive service to adult victims and the safeguarding of children.		
Efficiency Gains	Reduction in inappropriate referrals to social services, increasing capacity to meet performance targets and provide quality response to referrals from schools, Health etc.		
Contact:			
Lindsay Harper, Head of Service, Bridgend County Borough Council ☎ 01656 642314			
Potential for further partner engagement?	Yes. Adult social care and Health		

SOUTH EAST WALES			
SOUTH EAST WALES IMPROVEMENT COLLABORATION (SEWIC) CHILDREN'S COMMISSIONING UNIT			
<p>The Unit (involving the 10 SE Wales councils) aims to improve outcomes for Looked After Children and young people, achieve better value for money and increase placement choice. Working together collaboratively has already enabled the councils to achieve over £600,000 of savings in terms of anticipated costs avoided. The Collaborative has also achieved efficiencies by rationalising processes through the Regional Commissioning Unit and SEWIC has successfully developed and implemented a verification process to ensure quality, commercial sustainability of providers and delivery of positive outcomes. SEWIC authorities now use an Individual Placement Tendering Process (IPT) to procure placements based on outcomes and achieving value for money.</p>			
Partners			
<p>Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Merthyr Tydfil, Monmouthshire, Newport, Rhondda Cynon Taf, Torfaen, Vale of Glamorgan. Also collaborated with CCSR, Value Wales, Welsh Data Unit, Welsh Purchasing Consortium.</p>			
Start Date	2008	Projected end date	2012
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	y
Effectiveness Gains	<ul style="list-style-type: none"> • 0% annual uplift on current placements for 2009-10 with all providers on CCSR (over £600k avoided cost) • Standard pricing structures, volume and other discounts from a number of providers • Practitioner workshops on outcomes to improve quality of assessments and care plans • Enhancements to CCSR to facilitate the verification and IPT processes and enable the secure electronic exchange of tender and verification documents • Over 90% of our placement providers are verified and published on CCSR. In addition a system is in place to capture and address concerns that may arise about providers between verification. • Collection and regular reports on benchmarking data on placements and cost across the 10 authorities which we are using to develop our commissioning strategy and share with providers • Development and launch of new web based software in partnership with Value Wales to facilitate secure completion of verification documents and automate scoring of non-discretionary elements 		
Efficiency Gains	<ul style="list-style-type: none"> • Single verification process across 10 authorities • Single IPT process across 10 authorities • Web based electronic processes create efficiencies 		
<p>Contact: Alison Smale ✉ Alison.J.Smale@rctcbc ☎ 01685 885257</p>			
Potential for further partner engagement?		Yes.	
SOUTH EAST WALES			

ONLINE PROFESSIONAL DEVELOPMENT			
<p>cpdsewales.org.uk is an online professional development website that allows schools based staff to view online and book LA professional development courses. The website is the result of collaboration between the 5 LAs within the South East Wales Consortium (SEWC). The website has changed the face of continuing Professional Development (CPD) provision for school based staff in the region and has brought considerable benefits to schools. Users can also view CPD provision from quality assured external providers. Schools may also request expertise within their establishment from a database of Consortium Advisors and external consultants.</p>			
Partners			
5 LAs, Headteachers, HE Institutions, GTCW			
Start Date	September 2007	Projected end date	April 2008 initial but continuous development
Project Implementation timescale	Ongoing as new developments come on board		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<p>School leaders report that they have a wider range of advisers or consultants to choose from than was previously available. LA providers to respond to demands in a quicker time scale and avoid information being out of date. The web based nature of the software will allow the Consortium to access any necessary updates promptly.</p>		
Efficiency Gains	<p>Collaboration and joint planning continues to improve. There are some very good examples with all LEAs collaborating to ensure good practice, save time and improve quality. It has been reported that there has been a reduction of workload and increase in efficiency that has released staff to do other jobs. Colleagues also report that they often get instant replies to course applications and the information they receive about courses is of a high quality. There has been an increase in the average attendance on courses and a decrease in the number of cancelled courses, this has consolidated the number of courses while maintaining high levels of course participant satisfaction.</p>		
Contact:			
✉ m.austin@cardiff.gov.uk			
Potential for further partner engagement?	Possibly more LAs		

SOUTH EAST WALES			
HAPPILY INDEPENDENT - GWENT FRAILITY PROGRAMME			
<p>The Gwent Frailty Programme is looking to create an integrated model of care that is community based. Through listening to and seeing people as individuals in the context of their life, the project aims to arrive at a model for delivery of health and social care service that:</p>			
Partners:			
Five Gwent Local; Authorities; the Voluntary Sector; Gwent Healthcare NHS Trust & Aneurin Bevan Local Health Board			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains		<ul style="list-style-type: none"> • Helps people remain independent • Delivers care in or close to home • Brings together professionals in each locality to make sure there is access to the right person at the time you need it • Co-ordinates communication so that one key person can guide a client/service user through the system and be their main point of contact; • Delivers the right level of response that can change according to how much support is needed at any particular time; 	
Efficiency Gains		Avoids unnecessary hospital admissions	
Contact: Lynda Chandler, Project Manager ✉ Lynda.chandler@torfaen.gov.uk			
Potential for further partner engagement?			

SOUTH EAST WALES			
THE GWENT WIDE INTEGRATED COMMUNITY EQUIPMENT SERVICE			
<p>The purpose of GWICES is to provide an integrated health and social care equipment service to enable children & adults with disabilities and medical conditions to performance essential activities of daily living and maintain their independence whilst being cared for in their own homes and local communities.</p> <p>The arrangements are supported by a Section 33 Agreement and Pooled Fund. Torfaen CBC is the Lead Commissioner for GWICES and responsible for the commissioning and procurement of services. Service provision is via an interim Service Contract with Newport City Council pending award of a new 5 year contract. Within the terms of the new Service Contract we will also require the service provider to work with us to meet specific outcomes for service users & carers and commissioners. This will require the Lead Commissioner to undertake further work with the service provider to capture additional data to evidence performance e.g. annual service user and prescriber satisfaction surveys.</p>			
Partners			
<p>Blaenau Gwent County Borough Council, Caerphilly County Borough Council, Monmouthshire County Council, Newport City Council, Torfaen County Borough Council and Aneurin Bevan Local Health Board</p>			
Start Date		Projected end date	Under review
Project Implementation timescale	Currently under negotiation for a further five years		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	Quicker delivery, installation and delivery on more days a week of community equipment.		
Efficiency Gains			
Contact: Torfaen CBC is the Lead Commissioner for GWICES and responsible for the commissioning and procurement of services.			
Potential for further partner engagement?	There may be the potential for wider partnership in this area across the SEWIC region.		

SOUTH EAST WALES			
SOUTH EAST WALES IMPROVEMENT COLLABORATIVE (SEWIC)			
<p>A two pronged initiative:</p> <ol style="list-style-type: none"> 1. SEWIC wide initiative to examine and renegotiate adult high cost placements. An external provider with extensive experience and portfolio of delivering this service has been identified and will be commissioned to deliver this programme of fee renegotiation for 2010/11 and subject to demand 2011/12. 2. Exploration of collaboration and partnership with the M&WW LD Commissioning Project and the extension of that service across South Wales. This is currently being reviewed and evaluated. <p>This is potentially deliverable with a reciprocal arrangement for the extension of the SEWIC Children's Commissioning initiative across M&W Wales.</p>			
Partners			
Merthyr, RCT, Cardiff, Bridgend, Caerphilly, Monmouthshire, Newport, Vale of Glamorgan, Torfaen, Blaenau-Gwent			
Start Date	Item 1: 09/04/2010 Item 2: Feasibility report 05/2010	Projected end date	Item 1: projected for 2012. Item 2: Unknown
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	y
Effectiveness Gains		That is one of the deliverables but too early to specify at this stage.	
Efficiency Gains		<p>That is one of the deliverables but too early to specify at this stage.</p> <p>Projected savings for item 1 are projected at £4.79 million based on a 820 case load review. Actual savings will be subject to renegotiation outcomes and actual case load numbers.</p>	
Contact:			
Paul Flood, Programme Director ✉ paul@pf-ipv.co.uk ; ☎ 01225- 758214 or 07595024511.			
Potential for further partner engagement?		<p>These are SEWIC wide initiatives.</p> <p>Item two above potential partnership with the Mid & West Wales region.</p>	

SOUTH EAST WALES			
SOUTH EAST WALES IMPROVEMENT COLLABORATIVE - PROGRAMME DIRECTOR			
<p>The appointment of a SEWIC wide Programme Director for 'Making the Connections'.</p> <p>Appointed to carry out a feasibility study over the initial three months in post to identify opportunities and priorities for further collaboration across the SEWIC region; place those priorities and opportunities within a defined delivery programme and maintain an overview for implementation via agreed programme/project structures reporting the SEWIC Directors Board.</p> <p>The post provides capacity for overview and coordination and focus for implementation.</p> <p>The post holder has already been active in the development of the proposal to tackle high cost placements/care packages across the SEWIC region which should deliver cost savings within the financial year 2010/11 and develop the wider potential South Wales adult service procurement and commissioning hub in the medium/long term.</p>			
Partners			
Merthyr, RCT, Cardiff, Bridgend, Caerphilly, Monmouthshire, Newport, Vale of Glamorgan, Torfaen, Blaenau-Gwent			
Start Date	26/02/2010	Projected end date	25/02/2011
Project Implementation timescale	<p>Programme feasibility study and development of programme timetable for implementation over three months, March - May 2010.</p> <p>May onwards: implementation of identified initiatives</p>		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	That is one of the deliverables but too early to specify at this stage.		
Efficiency Gains	That is one of the deliverables but too early to specify at this stage.		
Contact:	<p>Paul Flood, Programme Director</p> <p>✉ paul@pf-ipv.co.uk;</p> <p>☎ 01225- 758214 or 07595024511.</p>		
Potential for further partner engagement?	SEWIC wide remit. Potential to develop and deliver further SEWIC wide regional and sub regional initiatives.		

SOUTH EAST WALES			
RAISE			
<p>2009/2010 RAISE. In January 2009 the SEWC extended the management structure of the RAISE team. A Regional Panel Leader was appointed to lead on the professional management of the project and to strengthen links between the LEAs and the central Raise team. The Consortium continues to deploy 2 Consortium Co-ordinators to support schools and to draw clear evaluation of the progress and effectiveness of RAISE projects in each school.</p> <p>The emphasis during 2009/10 will be on developing effective practice between schools and across LEA boundaries. During summer 2010 schools will be supported in their preparation of publishable and presentable materials based on the work undertaken over the year. Outcomes will be disseminated via the SEWC websites. This will be enhanced by a programme of learning visits and events arranged by the SEWC with presentations by the schools involved in the 2009/2010 projects. At the end of the year, there will be publishable and presentable outcomes that will benefit schools beyond the participating group. This will form the legacy of the RAISE project in the SEWC area and help schools to continue to implement the lessons learned for the benefit of pupils who live in conditions of socio-economic deprivation.</p>			
Partners			
WAG, Schools across 5 LAs, HE Institutions			
Start Date	September 2009	Projected end date	August 2010
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		The school projects in place are aimed at making learning more effective for targeted cohorts	
Efficiency Gains		The projects are all based on sustainability of the approach the administration and management of the programme on a consortium basis eliminates duplication	
Contact:			
Jill Richards via Consortium office ☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	

SOUTH EAST WALES			
SCHOOL EFFECTIVENESS FRAMEWORK			
<p>This regional delivery plan for phase 2 of the School Effectiveness Framework is an indication of our shared commitment to deliver the School Effectiveness Framework (SEF) through consortium working. It is a pledge that the five consortium authorities and their schools together with DCELLS see the benefits of raising standards of young people's educational attainment and well-being through tri-level working at school, authority/consortium and national levels. Representative groups of headteachers from each authority have been consulted on the construction of this plan and will be fully engaged in monitoring and advising on its implementation.</p> <p>Expected outcomes of the plan:</p> <ul style="list-style-type: none"> • Raised standards of educational attainment and well-being for children and young people regardless of their socio- economic background. • Reduced variation in learning outcomes within and between classrooms, schools and local authorities. • Cost effective and sustainable delivery of school improvement. 			
Partners			
WAG, Schools across 5 LAs,			
Start Date	September 2009	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> • Carrying out the programme across the consortium gives the opportunity for school based staff to network and share practice on a wide basis • The fact that the programme is organised on a consortium basis has developed a close working partnership which has enhanced closer day to day collaboration. 	
Efficiency Gains		<ul style="list-style-type: none"> • Preparation, administration and delivery shared across 5 LAs • viable cohorts for training • elimination of duplication • Cost effective and sustainable delivery of school improvement. 	
Contact:			
Elizabeth Arthur via Consortium office ☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	

SOUTH EAST WALES			
CURRICULUM 2008			
<p>Since the inception of SEWC there has been a desire and willingness to work in a collaborative way to ensure that best practice is shared across all member LEAs. The result of such close working has been the development of a number of related conferences targeted at Senior Managers for the introduction of Curriculum 2008.</p> <p>The Conferences have been well attended and have been well received as evidenced from the conference evaluations. The conferences have concentrated on the related aspects of assessment and the organisation and delivery of effective learning in the context of the new skills based curriculum.</p>			
Partners			
5 LAs, Schools across 5 LAs,			
Start Date	September 2009	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> • The cross -LEA team who have organized these conferences have developed a close working partnership which has enhanced closer day to day collaboration. • Quality inset has been provided using a judicious balance of LEA and school expertise. • Senior managers have high regard for the opportunity that the conferences provide to network with colleagues from other LEAs 	
Efficiency Gains		<ul style="list-style-type: none"> • Shared preparation across 5 LAs • elimination of duplication 	
Contact: Colin Green via Consortium office ☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	

SOUTH EAST WALES			
PROFESSIONAL HEADSHIP INDUCTION PROGRAMME (PHIP)			
<p>WAG launched a review of PHIP in January 2009. A key stakeholder steering group was appointed to lead re-development work on behalf of the Assembly Government. Alongside the above, the South East Wales Consortium made the decision to review its existing arrangements for PHIP and embark on delivering a cross consortium programme from September 2009. The development of this programme was brought about by a newly formed PHIP collaboration group. The group has sought to capitalise on the strengths evident in all of the LEAs making up the consortium to develop an innovative approach to the delivery of the PHIP programme. The programme is specifically aimed at meeting local priority needs as identified by consortium members. The consortium has also been actively involved in supporting WAG as it has moved forward with its national agenda of producing a revised PHIP programme.</p>			
Partners			
WAG, Schools across 5 LAs,			
Start Date	September 2009	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> a shared productive and stimulating focus on reaching creative solutions to a range of identified problems; a willingness to share good practice across LEA boundaries to the benefit of all those involved; and the inevitable strength gained from a cohesive group of colleagues dedicated to bringing about further improvement. 	
Efficiency Gains		<ul style="list-style-type: none"> an increased capacity to bring about necessary change when linked clearly to specific and well-focused goals; preparation shared across 5 LAs elimination of duplication 	
Contact:			
Elizabeth Arthur via Consortium office ☎ 02920 432763			
Potential for further partner engagement?		Possibly more LAs	

SOUTH EAST WALES			
HEADS of the VALLEYS WASTE PROGRAMME			
<p>The Heads of the Valleys Waste Programme is a programme of projects to deliver long term environmental and economically sustainable waste solutions for three neighbouring authorities in South-East Wales namely: Blaenau Gwent County Borough Council (BGBC), Torfaen County Borough Council (TCBC), Caerphilly County Borough Council (CCBC).</p> <p>In common with other authorities in Wales who have formed similar arrangements to procure food and green waste (“Organics”) and Residual Waste Disposal Facilities, the Councils have formed themselves into two separate partnerships for the procurement of organic waste treatment services and residual waste treatment services together (the “Projects”).</p>			
Partners			
Start Date	Organics: January 2009 Interim Residual: March 2010	Projected end date	Organics: June 2014 Interim Residual: May 2011
Project Implementation timescale	<p>Organics Pre-Procurement: 18 months Procurement: 24 months Construction and Commissioning: 24 to 30 months.</p> <p>Interim Residual Pre-Procurement: 3 months Procurement: 10 months</p>		
Collaborative working Category:	Service Improvement		Y
	Efficiencies		Y
Effectiveness Gains	Deliverability of waste treatment capacity for both Organics and residual waste.		
Efficiency Gains	<p>Smarter procurement utilising resources provided across the 3 authorities to work collaboratively to achieve a complex procurement.</p> <p>Economies of scale achievement by the procurement of a waste facility for 3 authorities economies of scale should be achieved</p>		
Contact:	<p>Frances Williams, Project Manager HoV Waste Programme ✉ frances.williams@blaenau-gwent.gov.uk</p>		
Potential for further partner engagement?	Yes, opportunities to work together on other waste contracts and waste service delivery.		

SOUTH EAST WALES			
PROSIECT GWYRDD / PROJECT GREEN			
<p>Prosiect Gwyrdd is a complex multi-authority procurement exercise to secure residual waste treatment services for the five participating authorities. The cost of this complex procurement is anticipated to be in excess of £2m and has seen the project team develop appropriate governance and scrutiny structures to ensure that the process is transparent for all partners. The key aims of the project are the successful delivery of a residual waste solution through collaborative procurement that reduces individual council's exposure to market risk and escalating procurement costs.</p>			
Partners			
Cardiff Council, Newport City Council, Vale of Glamorgan County Council, Caerphilly County Council, Monmouthshire County Council			
Start Date	April 2007	Projected end date	Ongoing
Project Implementation timescale		As above	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		The delivery of a residual waste treatment solution for 40% of the Welsh waste streams.	
Efficiency Gains		Economies of scale generated through a single market entry point	
Contact: Tara King, Project Manager ✉ tara.king@cardiff.gov.uk			
Potential for further partner engagement?			

SOUTH EAST WALES			
SUPPORTING PEOPLE PROGRAMME in GWENT			
<p>The main aims of the regional working agenda in Gwent Supporting People are to:</p> <ul style="list-style-type: none"> • Save service providers and SP Teams time spent on administrative tasks; • Provide service providers with a consistent method of contract monitoring, review and needs mapping; • Plan, develop & commission shared services Develop services for transient client groups, people with complex / multiple needs and client groups with low numbers; • Develop services which are effective, strategically relevant and offer value for money; • Work with partners to attract joint funding opportunities; • Work in partnership with service providers to remodel and reconfigure services to enable them to operate in the most effective way. 			
Partners			
<p>Community Safety Partnerships; Gwent Probation; Local Health Boards; Blaenau Gwent & Caerphilly YOT; Torfaen & Monmouthshire YOT; Newport YOS; Gwent Domestic Abuse Forum; Gwent Learning Disability Commissioning Group; Gwent Substance mis-use Commissioning Board; Gwent Criminal Justice & Supporting People Forum; Gwent Drug Interventions Programme; Service Providers Caerphilly Council; Supporting People; Monmouthshire Council; Blaenau Gwent council; Newport City Council; Torfaen County Borough Council</p>			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:	Service Improvement		
	Efficiencies		
Effectiveness Gains	<ul style="list-style-type: none"> • Common monitoring and review methodologies, including: Ongoing Review Framework for SPG services, SPG Review Lite Methodology, Small Provider Good Practice Manual, Annual Supply Mapping Form, Quarterly Monitoring Questionnaire, SPRG Annual Assessment Form, Allowable Activities Booklet, Information sharing protocols to use the SP funding most effectively. • A successful SHMG bid for an SP Regional Development Officer • Regional client groups specific planning groups (see partners) and an SP Regional Planning Group attended by SP Lead Officers and SPPG Chairs. • Regional SPOP section, inc regional needs mapping information, supply map and planning priorities. 		
Efficiency Gains	Joint funding opportunities with partners		
<p>Contact: Jenny Prince ✉ jemprince@valeofglamorgan.gov.uk ☎ 01446 709326</p>			
Potential for further partner engagement?			

THE SOUTH WEST WALES FORUM

SOUTH WEST WALES			
VIRTUAL SHARED LEGAL SERVICES			
<p>Drawing on models in other UK regions, an outline business case has been agreed and a virtual shared service commenced on 1 April 2010. The overall objective is to secure the future sustainability of a robust and effective “in-house” legal service for the participating authorities through closer collaboration, sharing knowledge & experience and joint procurement.</p> <p>The six workstreams in this phase are Organisation; Joint Procurement; IT Infrastructure; Training & Development; Best Practice and External Income.</p>			
Partners			
Carmarthenshire CC lead with Bridgend CBC, Ceredigion CC, Neath Port Talbot CBC, Pembrokeshire CC and City & County of Swansea and Swansea University			
Start Date	2006 Outlined Business Case approved March 2010	Projected end date	Project Manager currently funded through to March 2011. Implementation is likely to run through to 2014.
Project Implementation timescale		5 years	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains			
Efficiency Gains		<ul style="list-style-type: none"> £40,000 savings on Legal Library in 2010/11 (approx £100,000 over 3 years) through joint negotiation of a 3 year deal with legal library suppliers. 	
<p>Contact: Helen Williams, Project Manager - Shared Legal Services SW Wales ✉ HPWilliams@carmarthenshire.gov.uk ☎ 07971 677692</p>			
Potential for further partner engagement?		Yes	

SOUTH WEST WALES

swamwac - SOUTH WEST & MID WALES CONSORTIUM

Collaboration between 6 local authorities focusing on education, the strength and success of which results from willingness of teachers, headteachers and professional officers to share experience and expertise and to work together for the benefit of learners. We recognise that no one way of working together fits every situation and our continuum provides the flexibility to ensure effective and efficient working that adds value to work of each authority.

Principles of Consortium Working

- Work of the Consortium is **determined by the six Authorities**
- Consortium working is a **joint working arrangement** Joint working can take **different forms** - from networking to full integration of services and seeks to add value to the work of each individual authority
- There are **clear lines of responsibility and accountability**, a strength of the Consortium working model
- Each Authority retains its **responsibilities** for Statutory delivery and standards of service

Areas of Consortium Working

- Jointly Developed Guidance Documentation
- Joint Development and Delivery of Training
- Joint Events and Conferences
- Joint Programme Management and Delivery
- Joint Service delivery
- Joint Development

Strategic Plan - Sets out key priorities for consortium working 2009/10

Partners

WAG, Schools across 6 LAs, Regional Learning Partnership, HEIs, CYPPs, WLGA, 14/19 networks, ESTYN, Consortia Cymru, ContiYou Cymru

Start Date	2000	Projected end date	Ongoing
Project Implementation timescale	See individual areas of consortium working and the 2009/10 Strategic Plan		
Collaborative working Category:	Service Improvement		y
	Efficiencies		
Effectiveness Gains	<ul style="list-style-type: none"> • Improved service delivery - a more efficient and extended service for existing resources, this will be achieved immediately as it will be building upon an already improving service delivery collaborative functions - sharing practice and developing a common entitlement 		
Efficiency Gains	<ul style="list-style-type: none"> • shared functions - functions of the service that can be shared across the Consortium • economy of scale through cross boundary working in areas of low incidence or low demand • increase of productive time 		
Contact: Pauline Lewis			
✉ pauline.lewis@swamwac.org ☎ 01267 676840			
Potential for further partner engagement?			

SOUTH WEST WALES			
REGIONAL COLLABORATION IN COMMISSIONING HIGH COST LEARNING DISABILITIES / MENTAL HEALTH SOCIAL CARE PACKAGES			
Overall aim to develop co-ordinated regional approach to commissioning and procurement of residential care packages for people with a Learning Disability or Mental Health issues thereby reducing costs, improving quality of placements and improving market management. Delivery of standardised regional procurement and commissioning processes support efficient, effective and sustainable provision of care, enabling better decision making, controlling placement costs and delivering value for money. The regional approach has also enabled the development of a central repository for all information relating to placements.			
Partners			
Neath Port Talbot CBC lead, with Bridgend CBC, Carmarthenshire CC, Ceredigion CC, Pembrokeshire CC, Powys CC and the City & County of Swansea			
Start Date	2006	Projected end date	Ongoing
Project Implementation timescale	Ongoing - currently the project is being evaluated to test feasibility of extension to other client groups e.g. children		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<ul style="list-style-type: none"> • A common process to source and contract placements thereby securing value for money • A tactical database which includes market intelligence for the region & identification of the average unit costs of a package of care supported by a benchmarking toolkit • Regional approach to annual price reviews 		
Efficiency Gains	<ul style="list-style-type: none"> • £80k in year one 		
Contact: Lisa Morgan, Special Projects Officer ✉ l.morgan@npt.gov.uk ☎ 01639 763049			
Potential for further partner engagement?	Y		

SOUTH WEST WALES			
FLEXIBLE ACCOMMODATION - TRANSITION SOCIAL CARE & NURSING BEDS			
<p>The transition beds model within Carmarthenshire is based on the criteria by the WAG Guidance on Intermediate Care, providing "transitional step down" services in a variety of settings. Accommodation has been made available on a phased basis since October 2006 and has formed part of a Bed Management process, supporting local DToC arrangements.</p>			
Partners			
Carmarthenshire County Council and Hywel Dda LHB			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains		Between Oct 2007 and April 2008: <ul style="list-style-type: none"> Occupancy levels remained over 70% 	
Efficiency Gains		Between Oct 2007 and April 2008: <ul style="list-style-type: none"> A total of 1037 bed days avoided (saving £316,285) Further saving of just under £100,000 in the first three months based on spot purchasing of beds from different independent care homes	
Contact:			
Rita Thomas, Joint Commissioning Officer for Carmarthenshire Council & Local Health Board			
✉ rithomas@carmarthenshire.gov.uk			
Potential for further partner engagement?			

SOUTH WEST WALES			
SWWITCH - SOUTH WEST WALES INTEGRATED TRANSPORT CONSORTIUM			
<p>SWWITCH was formed in 1998 in recognition of the increasingly complex and cross boundary transport and access needs of residents, business and visitors to the region. SWWITCH encompasses all forms of transport (bus, rail, private car, freight, ports and walking/cycling) and wider access issues. SWWITCH meets quarterly as a Joint Committee, comprising elected Members with responsibilities for transport in their constituent authorities, along with external partners such as transport providers, user and business representatives. The chair of SWWITCH rotates annually around the four constituent Authorities</p>			
Partners			
<p>City & County of Swansea (host authority) with, Carmarthenshire CC, Neath Port Talbot CBC and Pembrokeshire CC</p>			
Start Date	1998	Projected end date	Ongoing
Project Implementation timescale	Ongoing since 1999		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	<ul style="list-style-type: none"> SWWITCH has developed a Regional Transport Plan which sets out joint objectives, strategy and policies and a pool of projects to improve transport and access in South West Wales Shared capacity and joint working on Travel Planning is ongoing 		
Efficiency Gains	<ul style="list-style-type: none"> Development costs for the Regional Transport Plan and Programme Management costs for delivery transport projects in the region are shared Shared best practice and economies of scale 		
Contact:			
<p>Sue Miles ✉ Sue.miles@swansea.gov.uk ☎ 01792 637760 / 07917 200174</p>			
Potential for further partner engagement?	<p>Yes as delivery of the programme projects develops and with other transport consortia over time</p>		

SOUTH WEST WALES			
ARCHITECTURE & ENGINEERING SERVICES			
<p>Service improvement and efficiencies in architecture and engineering professional services for a coordinated approach to specialised resources. Project Board progressing work programme promoting the re-shaping of processes and service delivery options locally and collaboratively to provide value for money; to overcome problems of limited capacity and competencies; to provide training and development opportunities and to enable a more co-ordinated use of time, skills and expertise of staff to ensure the workforce is being used effectively.</p>			
Partners			
<p>Neath Port Talbot CBC lead, with Carmarthenshire CC, Pembrokeshire CC and City & County of Swansea and engagement with Value Wales, WAG.</p>			
Start Date	2007 Feasibility study completed in 2008	Projected end date	Ongoing
Project Implementation timescale		5 years?	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> Outlined Business Case to be prepared 	
Efficiency Gains		<ul style="list-style-type: none"> Outlined Business Case to be prepared 	
<p>Contact: Geoff Marquis ✉ g.marquis@npt.gov.uk ☎ 01639 686555</p>			
Potential for further partner engagement?		Yes	

SOUTH WEST WALES			
REGIONAL FUNDING FAIR			
<p>The Regional Funding Fair was piloted in 2008 between the 4 Local Authorities and 4 County Voluntary Councils as a model for joint working between the two sectors. An estimated 1500 individuals attended the event which brought together sources of funding advice, grant awarding bodies and highlighted volunteering opportunities under one roof for the benefit of communities. A further Regional Funding Fair is planned for June 2010.</p>			
Partners			
<p>Carmarthenshire CC coordination, Carmarthenshire Association of Voluntary Services, Neath Port Talbot Council for Voluntary Services, Neath Port Talbot CBC, Pembrokeshire Association of Voluntary Services, Pembrokeshire CC, Swansea Council for Voluntary Services & the City & County of Swansea</p>			
Start Date	December 2007	Projected end date	June 2010
Project Implementation timescale	<p>The Regional Funding Fair was piloted in 2008 and will be repeated in 2010 with emphasis on sustainable economic development and social enterprise</p>		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<ul style="list-style-type: none"> Joint resources and effort, as opposed to individual events 		
Efficiency Gains	<ul style="list-style-type: none"> By working in partnership with 8 organisations across 4 counties, synergies can be realised resulting in value for money delivery of a regional event benefiting a target of 1500 individuals 		
Contact:	<p>Sally Doughton ✉ SDoughton@carmarthenshire.gov.uk ☎ 01269 590286</p>		
Potential for further partner engagement?	<p>Yes. The project works with many external partners and is happy to explore closer links</p>		

SOUTH WEST WALES			
WASTE MANAGEMENT CONSORTIUM WORKING			
<p>Local Authorities in Wales are facing significant legislative and policy pressures in relation to the recycling, composting and disposal of municipal waste. A consortium of six local authorities in South West Wales has been established to further WAG aims of securing partnership working, collaboration and efficiencies across the public sector in Wales. A Regional Joint Waste Committee has been established to oversee and provide the necessary governance for direction of the Consortium. Under the umbrella of the consortium a procurement hub for food waste treatment has been formed comprising of five local authorities from the consortium. An Outline Business Case for food waste treatment utilising Anaerobic Digestion (AD) has been conditionally approved by WAG paving the way for facility/ies to be procured. A similar process will be undertaken to secure facilities for residual waste treatment.</p>			
Partners			
Bridgend CBC, Carmarthenshire CC, Ceredigion CC (residual waste only) Neath Port Talbot CBC, Pembrokeshire CC and the City & County of Swansea			
Start Date	2008	Projected end date	- AD 2014 - Residual 2017
Project Implementation timescale		Projects ongoing	
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains		<ul style="list-style-type: none"> • Opportunity for consortium to develop consistent working methods and practices across the region. • Opportunity to share spare capacity of existing infrastructure to avoid statutory fines. • 	
Efficiency Gains		<ul style="list-style-type: none"> • Procurement costs shared across participating local authorities. • Potential for economies of scale in terms of number and size of facilities. • Avoidance of duplication in terms of undertaking procurements for similar infrastructure. • 	
Contact:			
Andy Cluckie			
✉ Andrew.Cluckie@swansea.gov.uk			
☎ 01792 635799 / 07796 275703			
Potential for further partner engagement?		Potential for engagement with other consortia and local authorities in Wales. e.g. Vale of Glamorgan is seeking food waste treatment capacity from SWW Hub	

SOUTH WEST WALES			
FLEXIBLE SUPPORT for BUSINESS (FS4B) REGIONAL CENTRE SERVICES			
<p>FS4B Regional Centres were established as the customer interface of WAG's business support service- Flexible Support for Business.</p> <p>The Centres are vibrant business hubs that provide a business information and signposting service to all businesses and face to face advice to small local businesses. Advice provided includes:</p> <ul style="list-style-type: none"> • General Business Management • Human Resources/ Equality and Diversity Advice • Environmental Management • Regional Centres are based at Llandarcy, Carmarthen and Pembroke Dock with dedicated outreach facilities in Swansea City Centre. 			
Partners			
Neath Port Talbot CBC is the lead partner, with Carmarthenshire CC, Pembrokeshire CC, the City & County of Swansea. The service is funded by WAG (the Department of Economy and Transport) and ERDF.			
Start Date	April, 2008	Projected end date	March, 2012
Project Implementation timescale			
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	N	
Effectiveness Gains	<ul style="list-style-type: none"> • 1035 small local businesses provided with general business advice • 175 small local businesses provided with advice to adopt or improve equality strategies and monitoring systems • 70 small local businesses provided with advice to adopt or improve environmental management strategies and monitoring systems; and • to handle 3200 enquiries from businesses or individuals 		
Efficiency Gains			
Contact:			
Clare Hale, Regional Contract Manager			
✉ c.hale@npt.gov.uk			
☎ 01639 686846			
Potential for further partner engagement?			

SOUTH WEST WALES			
COASTAL (CREATING OPPORTUNITIES AND SKILLS TEAMS ALLIANCE)			
<p>The Convergence funded project aims to promote vocational guidance, employment, skills training and lifelong learning opportunities for individuals who are currently economically inactive as a result of illness, disability, (Mental Illness, Learning Disability, Physical Disability, Sensory Impairment) substance misuse problems and/or the serious social disadvantage associated with the transition from long-term care into adulthood. The support will continue for as long as the participant requires it, up to a maximum of 12 months post employment. Total Project Cost £51m/ ESF grant £27m.</p>			
Partners			
<p>City & County of Swansea lead, with, Carmarthenshire CC, Neath Port Talbot CBC and Pembrokeshire CC, to be joined in 2010 by Bridgend CBC, Ceredigion CC</p>			
Start Date	1 January 2009	Projected end date	30 June 2014
Project Implementation timescale	66 months (NB. 9 months at start of 2009 committed to procurement of services)		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	<ul style="list-style-type: none"> Creation of multidisciplinary COAST teams serving a pan-disability user group. 		
Efficiency Gains	<ul style="list-style-type: none"> Inter-Authority Sharing and exchange of skills, experience and good practice and potential for joint provision of services. 		
Contact:			
<p>Clive Prior ✉ Clive.prior@swansea.gov.uk ☎ 01792 222692</p>			
Potential for further partner engagement?	<p>Indirectly via regional and local procurement exercises. Also, future potential for linking COASTAL activity with similar activity being undertaken by the New Work Connections Project in North Wales.</p>		

SOUTH WEST WALES			
SOUTH WEST WALES FLEXIBLE BUSINESS FINANCE SCHEME (LOCAL INVESTMENT FUND - LIF)			
<p>The Convergence funded project aims to provide flexible financial support in the form of capital grants, up to a maximum of £5k, targeting existing small and medium sized enterprises and start ups. Capital Grants available for up to 40% of eligible project costs, minimum grant of £1,000 and maximum grant of £5,000 for business development projects across the region. A wide range of business sectors are eligible. Total Project Cost £19.3m/ ERDF grant £8.9m.</p>			
Partners			
Carmarthenshire CC lead, with Ceredigion CC, Neath Port Talbot CBC, Pembrokeshire CC, the City & County of Swansea & South Wales Chamber of Commerce			
Start Date	2009	Projected end date	2014
Project Implementation timescale		2009-2014	
Collaborative working Category:		Service Improvement	y
		Efficiencies	n
Effectiveness Gains		<ul style="list-style-type: none"> • 1400 enterprises financially assisted • 400 new enterprises created • 1,000 jobs created 	
Efficiency Gains		<ul style="list-style-type: none"> • Not quantified but delivering the project collaboratively will have lead to streamlined processes and rationalisation of support required to deliver this scheme across South West Wales. Sharing of best practise has improved and streamlined the service for the end user. 	
Contact: Simon Richards ✉ lif@carmarthenshire.gov.uk ☎ 01267 242390			
Potential for further partner engagement?		Potential to consider delivery of other financial support mechanisms to businesses on a regional basis depending on outcome of evaluation of this project.	

SOUTH WEST WALES			
SOUTH WEST WALES STRATEGIC EMPLOYMENT PROPERTY DEVELOPMENT FUND (PDF)			
<p>The Convergence funded project will provide assistance for the speculative development of buildings for industrial / commercial use with the primary aim of creating employment capacity in selected areas of south west Wales. The scheme will provide financial assistance to developers to bridge the gap between the cost of providing commercial property and its subsequent market value and to encourage the development of BREEAM Excellent rated buildings across the region. Total Project Cost £26.9m/ ERDF grant £10m.</p>			
Partners			
Carmarthenshire CC lead, Neath Port Talbot CBC, Pembrokeshire CC, the City & County of Swansea & the Department of Economy and Transport, WAG.			
Start Date	June 2009	Projected end date	July 2015
Project Implementation timescale	74 months		
Collaborative working Category:	Service Improvement	Yes	
	Efficiencies	Yes	
Effectiveness Gains	<ul style="list-style-type: none"> • Jobs accommodated - 600 • Floor space created - 18365sq m • Land developed - 5 hectares • SME's accommodated -26 • Enterprises adopting or improving Environmental Management Systems - 10 		
Efficiency Gains	<ul style="list-style-type: none"> • One Property Development Fund scheme running across the four local area authorities. This has resulted in staffing efficiencies, with just the one central PDF team employed to run the scheme across the sub-region. 		
Contact: Caroline Burford ✉ CEBurford@carmarthenshire.gov.uk ☎ 01269 590207			
Potential for further partner engagement?	No		

SOUTH WEST WALES			
COLLABORATIVE COMMUNITIES			
<p>Convergence funded project supporting the development of social/community enterprise. A unique collaboration between the 4 County Voluntary Councils and the 4 Local Authorities. Aims of the project: to support third sector organisations and social enterprises to be more sustainable, improve impact, turnover and employment and create a culture of social entrepreneurship. Further aim to work with/create 6 -10 flagship social/community enterprises. Supported by a targeted finance package of £250k per year to assist with social enterprises' developmental costs. Total Project Cost £5.1m/ ERDF grant £4.1m.</p>			
Partners			
Carmarthenshire CC lead, Carmarthenshire Association of Voluntary Services, Neath Port Talbot CBC, Neath Port Talbot Council for Voluntary Services, Pembrokeshire CC, Pembrokeshire Association of Voluntary Services, the City & County of Swansea & Swansea Council for Voluntary Services			
Start Date	July 2009	Projected end date	December 2013
Project Implementation timescale	Project to be launched in June 2010		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	<p>The project will empower organisations to become more sustainable, inducing more investment (target £1million), enabling them to employ more people (200), and deliver improved and additional services to more people (25,000)</p> <p>The project outputs are:</p> <ul style="list-style-type: none"> • Organisations assisted - 400 • Organisations financially supported - 10 • People Accessing services - 25,000 • Job created - 200 • Social Enterprises created - 30 • Investment Induced - £1,000,000 • Adopting/Improving Equality policies - 100% • Adopting/Improving environment sustainability policies - 50% 		
Efficiency Gains	By working in partnership with 8 organisations across 4 counties, synergies can be realised resulted in value for money delivery of high quality support for a target of 400 organisations.		
Contact:			
Stuart Griffin			
✉ Smgriffin@carmarthenshire.gov.uk ☎ 01269 590266			
Potential for further partner engagement?	Yes.		

SOUTH WEST WALES
ENGAGE

Convergence project to be delivered through a joint sponsorship arrangement of the 5 LAs and the 6 FE Colleges under the auspices of the Regional Learning Partnership south west Wales. The project will focus on 14-19yr olds including those at risk of disengagement, under-achieving or failing in schools and colleges and young people who are NEET. It will provide engagement support and access to training and education, alternative curriculum and employment routes. Total Project Cost £32m/ ERDF grant £16m.



Partners

Neath Port Talbot CBC, together with Carmarthenshire CC, Pembrokeshire CC, City & County of Swansea, Ceredigion County Council, Coleg Sir Gar, Pembrokeshire College, Gorseinon College, Coleg Ceredigion, Swansea College and Neath Port Talbot College

Start Date	01.09.2009	Projected end date	30.11.2012
Project Implementation timescale	3 Years		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies		
Effectiveness Gains	<ul style="list-style-type: none"> • 12,217 14-19 year Olds supported, of which • 1,937 are NEET • 10,472 Are NEET or at risk of becoming NEET (NEET = Young People Not In Education, Employment or Training)		
Efficiency Gains			
Contact: Susan Samuel ✉ s.samuel@neath-porttalbot.gov.uk ☎ 01639 765109			
Potential for further partner engagement?	Via sell2wales Tenders		

SOUTH WEST WALES			
WORKWAYS			
<p>The Convergence funded South West Workways project will provide a co-ordinated client engagement and assessment Gateway for economically inactive and long-term unemployed people across south west Wales to assist their transition into employment. This will be facilitated via mentors and employer liaison officers combined with a menu of provision which will include a standardised approach to engagement and provision of information, temporary job opportunities, tailored training and volunteering. Total Project Cost £47m/ ESF grant £26m.</p>			
Partners			
Neath Port Talbot CBC lead, with Carmarthenshire CC, Pembrokeshire CC and the City & County of Swansea			
Start Date	01.04.2009	Projected end date	31.03.2012
Project Implementation timescale	Started 01.04.2009 - Neath Port Talbot & Swansea, 05.10.2009 - Carmarthenshire, 15.02.2010 - Pembrokeshire		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<ul style="list-style-type: none"> • Total Project Participants - 9355 • Participant Qualifications - 468 • Participants into Employment - 3275 • Participants into further learning - 748 • Other positive outcomes - 2806 		
Efficiency Gains	<ul style="list-style-type: none"> • Potential savings on benefit payments could make the ESF grant cost neutral over 3 years. 		
Contact: Marjorie Bartlett ✉ m.bartlett@neath-porttalbot.gov.uk ☎ 01639 684250			
Potential for further partner engagement?	Ongoing partnership working with projects and statutory provision for progression for Participants		

SOUTH WEST WALES			
GYPSY TRAVELLER LEARNING AND FUTURE EMPLOYMENT PROJECT			
<p>Convergence ESF project to tackle low educational achievement and risk of unemployment amongst young Gypsy Travellers aged 11-19. Tailored support to people from this group in West Wales and the Valleys will encourage their participation in education and improve their educational achievement as a precursor to assisting them into employment opportunities that would otherwise not be open to them. The project aims to simultaneously tackle negative stereotypes. Total Project Cost £4.7m/ ERDF grant £2.6m.</p>			
Partners			
<p>Pembrokeshire CC lead, with Carmarthenshire CC, Neath Port Talbot CBC, the City & County of Swansea, Blaenau Gwent CBC, Merthyr Tydfil CBC and Torfaen CBC</p>			
Start Date	2009	Projected end date	2012
Project Implementation timescale	Based on three academic years		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	n	
Effectiveness Gains	<ul style="list-style-type: none"> • Participants 449 • Gaining qualifications 299 • Entering employment 93 		
Efficiency Gains	None anticipated.		
<p>Contact: Gwyn Evans, European Manager ✉ gwyn.evans@pembrokeshire.gov.uk ☎ 01437 776174</p>			
Potential for further partner engagement?	<p>Gypsy Traveller populations are also present in other Welsh unitary authorities, but most are outside the Convergence area. Those inside the area withdrew from the project as numbers were small or unpredictable making their involvement untenable. All Welsh LA Traveller Education Services already meet to share best practice etc.</p>		

SOUTH WEST WALES			
REGIONAL LEARNING PARTNERSHIP SOUTH WEST WALES			
<p>Convergence funded partnership bringing together education and regeneration partners across several sectors: further education; higher education; local government; Third sector and private sector, together with Careers Wales West and JobCentre Plus to pursue and increase the pace around transformation in learning and skills. Three key pillars of action: regional learning and skills observatory; regional e-portal and partnership brokerage and development. Total project cost £1.8m/ ESF grant £1m.</p>			
Partners			
<p>Neath Port Talbot CBC and Careers Wales West lead, with Carmarthenshire CC, Pembrokeshire CC, City & County of Swansea together with 4 County Voluntary Councils, 6 Further Education colleges and 4 universities, South Wales Chamber of Commerce and JobCentre Plus.</p>			
Start Date	December 2009	Projected end date	November 2012
Project Implementation timescale	<p>Dec 2009 - June 2010 "Phase 0" of implementation July 2010 - Nov 2012 full implementation</p>		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<ul style="list-style-type: none"> Regional Learning and Skills Observatory Regional e-portal 300 participants 8 dissemination events 		
Efficiency Gains	<ul style="list-style-type: none"> To be determined 		
Contact:			
<p>Iwan Thomas  Iwan.Thomas@wgla.gov.uk  01554 756818</p>			
Potential for further partner engagement?	Yes		

SOUTH WEST WALES			
FUTURE JOBS FUND CONSORTIUM APPROACH			
<p>In response to the Department for Work and Pensions' call for submissions to its Future Jobs Fund initiative, Local Authority and County Voluntary council partners agreed to a "composite regional submission." The fundamental ethos of this approach focused on <i>local delivery</i> and a <i>strategic regional overview</i> where added value could be identified to the benefit of local young people. A Steering Group has been established to share progress on the delivery of the programme across the region.</p>			
Partners			
<p>Carmarthenshire CC, Carmarthenshire Association of Voluntary Services, Neath Port Talbot CBC, Neath Port Talbot Council for Voluntary Services, Pembrokeshire CC, Pembrokeshire Association of Voluntary Services, the City & County of Swansea & Swansea Council for Voluntary Services</p>			
Start Date	October 2009	Projected end date	April 2011 (TBA)
Project Implementation timescale	Various by locality		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<ul style="list-style-type: none"> • Total Future Job Fund opportunities for south west Wales of 2,099, over 18 months • Sharing of job opportunities where appropriate across the region; • Opportunities for sharing of resources; • Integration of Future Jobs Fund with other funding and delivery initiatives in the region for the benefit of young unemployed (18-24yrs). • Performance improvement role and therefore increasing sustainable job opportunities across the region and • Sharing of evaluation models leading to improved quality. 		
Efficiency Gains			
Contact:	<p>Sara Harvey ✉ Sara.harvey@wlga.gov.uk ☎ 0778 7578 873</p>		
Potential for further partner engagement?	Yes		

THE CENTRAL WALES BOARD

CENTRAL WALES			
THE MID WALES WASTE PARTNERSHIP			
<p>The Mid Wales Waste Partnership is collaboration supported by a formal Inter Authority Agreement and will shortly be governed by formal Joint Committee. The partnership is seeking to achieve a regional solution for sustainable long-term waste management processes. The project is currently focussing on the treatment of source-segregated food waste and in April 2010 will publish an OJEU prior to commencing a competitive dialogue process with bidders. The project also now has a dedicated website.</p>			
Partners:			
Ceredigion County Council and Powys County Council			
Start Date	January 2006	Projected end date	Ongoing
Project Implementation timescale		December 2013 (for AD)	
Collaborative working Category: <i>Inter-authority collaboration including joint procurement.</i>		Service Improvement	Yes
		Efficiencies	Yes
Effectiveness Gains		Maximising use of internal resources	
Efficiency Gains		Improved economies of scale, reduced waste treatment costs, and shared procurement costs	
Contact: Beverley Hodgett, Project Manager ✉ beverleyh@ceredigion.gov.uk ☎ 07976 926485			
Potential for further partner engagement?		Limited	

CENTRAL WALES			
PROPERTY AND ENGINEERING SERVICES			
<p>Creation of a new collaborative arrangement to deliver property and engineering services to the 3 councils. Council officers will share collective responsibility to deliver services to a strategic client group representing the 3 Councils. Common delivery processes will be developed based on lean thinking and personal motivation. The Councils will develop a regional approach to infrastructure, operate shared procurement vehicles and make joint appointments to develop additional in house expertise.</p>			
Partners:			
Powys County Council, Gwynedd Council and Ceredigion County Council			
Start Date	This project was reconfigured as a local authority only collaboration in October 2009.	Projected end date	Target date for new arrangements to be is April 2011.
Project Implementation timescale		12 Months from April 2010	
Collaborative working Category: <i>A joint venture between the partner authorities - a thin strategic client, and a delivery arm.</i>		Service Improvement	Yes
		Efficiencies	Yes
Effectiveness Gains		A more robust and resilient service in each Council.	
Efficiency Gains		At least 10%	
Contact: David Williams (Project Manager) ✉ david.williams1@powys.gov.uk ☎ 07920 275266			
Potential for further partner engagement?		Strong. Other Councils will be invited to participate.	

CENTRAL WALES			
JOINT APPOINTMENT 'STREETWORKS MANAGER'			
<p>Powys and Ceredigion are looking at a joint appointment of a single manger for 'Streetworks' across the Central Wales region.</p> <p>The post holder will have particular responsibility in relation to:</p> <ul style="list-style-type: none"> - transportation planning functions; - public transport functions; - Traffic Management functions. - <p>This first joint appointment will also serve to further embed collaboration in the region.</p>			
Partners:			
Powys County Council and Ceredigion County Council			
Start Date	April 2010	Projected end date	April 2011
Project Implementation timescale	From April 2010		
Collaborative working Category:	Service Improvement		Yes
	Efficiencies		Yes
<i>Joint appointment</i>			
Effectiveness Gains	Improved regional coordination and management of transportation, transport and traffic management functions across the region		
Efficiency Gains	Estimated to be 2 - 6 FTE's		
Contact:	Steve Holdaway - Powys County Council C Head of Local & Environmental Services		
	✉ steve.holdaway@powys.gov.uk		
	☎ 01597826613		
Potential for further partner engagement?	Limited.		

CENTRAL WALES			
WELSH 21ST CENTURY SCHOOLS PROGRAMME - CONSTRUCTION FRAMEWORK FOR PROJECTS VALUED £2M TO £100M			
A collective Framework Agreement allowing the authorities to engage with experienced and innovative contractors to deliver approximately £150,000,000 to £225,000,000 of property construction over three years (plus one). The Framework will seek to further adopt the rethinking construction agenda, and through early contractor involvement in the design & procurement process the authorities are seeking to meet the Assembly Government's aspiration for low and zero carbon buildings and deliver projects to time, quality and budget.			
Partners			
Powys, Ceredigion & Gwynedd County Councils			
Start Date	Mid 2010	Projected end date	Three year duration (option to extend by further year)
Project Implementation timescale		-	
Collaborative working Category: <i>Joint framework</i>		Service Improvement	Yes
		Efficiencies	Yes
Effectiveness Gains		Reduced lead times	
Efficiency Gains		Increased leverage	
Contact: David Bradley, Powys CC Construction Procurement & Premises Manager ✉ david.bradley@powys.gov.uk ☎ 01597 826000			
Potential for further partner engagement?		Possible.	

CENTRAL WALES			
NARROWING THE GAP - PERFORMANCE MONITORING & REPORTING			
<p>Running in Mid and West Wales, the Narrowing the Gap pilot aims to improve performance monitoring and reporting arrangements, analyse variances in performance across the region and establish mechanisms for benchmarking and practice exchange between authorities, the pilot is focused on children's safeguarding.</p> <p>Detailed work is being undertaken through the pilot bringing councils together to explore local arrangements and processes relating to core elements of assessment and care management, including staff management and deployment, quality assurance and working across agencies. Significant improvements in terms of service outcomes and increased efficiency are anticipated.</p>			
Partners:			
Ceredigion Council, Carmarthenshire Council, Powys Council, Pembrokeshire, City & County of Swansea, Neath Port Talbot CBC, Bridgend CBC			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains		Significant service improvements anticipated	
Efficiency Gains		Increased efficiency anticipated	
Contact:			
Martyn Palfreman, Social Services Improvement Agency (SSIA) ✉ Martyn.palfreman@wlga.gov.uk ☎ 07786 910715			
Potential for further partner engagement?			

CENTRAL WALES			
POWYS COUNTY COUNCIL AND POWYS TEACHING LOCAL HEALTH BOARD			
<p>Following a joint options appraisal, in September 2009, Powys County Council and Powys Teaching Local Health Board agreed to look further at ways in which the two public services are organised with the potential of bringing about radical and innovative changes:</p> <ul style="list-style-type: none"> ▪ Safe, joined up and high quality services; ▪ Better use of resources, improved efficiency and value for money; ▪ Reinvestment in front-line services; ▪ A strengthening of services. 			
Partners:			
Powys County Council and Powys Teaching Local Health Board			
Start Date	Imminent	Projected end date	2012
Project Implementation timescale		-	
Collaborative working Category:		Service Improvement	Yes
<i>Service integration</i>		Efficiencies	Yes
Effectiveness Gains		Maximising use of resources and improved care packages	
Efficiency Gains		Improved economies of scale, reduced costs, jointly managed assets, shared procurement costs.	
Contact:			
Project Manager to be confirmed; for the time all enquiries via the Chief Executive of Powys CC and the Chief Executive Powys tHB www.powys.gov.uk www.powyslhb.wales.nhs.uk/			
Potential for further partner engagement?		Possible	

CENTRAL WALES			
CEREDIGION LIFT MAINTENANCE			
Public Sector Organisations (PSO) in Ceredigion have entered into a framework agreement which has ensured security of supply in addition to delivering efficiency and cash savings. The tendering process was also wholly electronic as provided via the Value Wales / Bravosolutions offering.			
Partners			
Ceredigion County Council; Aberystwyth University; Lampeter University; Coleg Ceredigion; National Library of Wales; Hywel Dda Health Trust			
Start Date	01/04/2009	Projected end date	31/03/2013
Project Implementation timescale			
Collaborative working Category: <i>Collaborative framework</i>	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	Security of supply		
Efficiency Gains	Process and supplier gains		
Contact: Hywyn Pritchard ✉ hywynp@ceredigion.gov.uk ☎ 01970 633050			
Potential for further partner engagement?	At framework renewal		

CENTRAL WALES			
MAINTENANCE AND REPAIR OF COMMUNITY EQUIPMENT			
<p>The Public Sector Organisations (PSO) in Ceredigion concerned with health matters have entered into a framework agreement which has ensured security of supply in addition to delivering efficiency and cash savings. The tendering process was also wholly electronic as provided via the Value Wales / Bravosolutions offering.</p>			
Partners			
Ceredigion County Council; Hywel Dda Health Trust			
Start Date	01/04/2010	Projected end date	31/03/2014
Project Implementation timescale			
Collaborative working Category:	Service Improvement	Y	
<i>Collaborative framework</i>	Efficiencies	Y	
Effectiveness Gains	Security of supply		
Efficiency Gains	Process and supplier gains		
Contact: Hywyn Pritchard ✉ hywynp@ceredigion.gov.uk ☎ 01970 633050			
Potential for further partner engagement?	At framework renewal		

CENTRAL WALES			
MAINTENANCE AND REPAIR OF KITCHEN EQUIPMENT			
<p>The Public Sector Organisations (PSO) in Ceredigion concerned with large kitchens primarily for public sector consumption are in process of awarding a framework agreement to ensure security of supply in addition to delivering efficiencies. The tendering process will also be wholly electronic as provided via the Value Wales / Bravosolutions offering.</p>			
Partners			
Ceredigion County Council; Aberystwyth University; Hywel Dda Health Trust; Urdd Organisation in Llangrannog			
Start Date	01/07/2010	Projected end date	31/06/2014
Project Implementation timescale			
Collaborative working Category:	Service Improvement	Y	
	<i>Collaborative framework</i>	Efficiencies	Y
Effectiveness Gains	Security of supply		
Efficiency Gains	Process and supplier gains		
Contact: Hywyn Pritchard ✉ hywynp@ceredigion.gov.uk ☎ 01970 633050			
Potential for further partner engagement?	At framework renewal		

THE NORTH WALES BOARD

NORTH WALES			
TRANSFORMING EDUCATION			
The six North Wales Councils have entered into discussions and scoped a potential project to create a single school improvement service			
Partners			
Start Date	November 2009	Projected end date	July 2012
Project Implementation timescale	2 years		
Collaborative working Category:	Service Improvement	y/n	
	Efficiencies	y/n	
Effectiveness Gains	More resilient services with greater scope for specialist services. Reduced requirement to buy in services		
Efficiency Gains	Reduction in service costs by around 20%		
Contact: Mohammed Mehmet, Chief Executive Denbighshire County Council ☎ 01248 723062 Richard Parry Jones, Director of Education/Lifelong Learning, Isle of Anglesey County Council ☎ 01248 750057			
Potential for further partner engagement?	Pass		

NORTH WALES			
EDUCATION CONSORTIUM			
Delivery of agreed DCELLS programmes e.g. SEF			
Partners			
The six North Wales Authorities			
Start Date		Projected end date	Ongoing Partnership
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		Delivered DCELLS programmes relating to workforce improvement and remodelling.	
Efficiency Gains			
Contact: Anwen Williams, Gwynedd Council ☎ 01776 771000			
Potential for further partner engagement?		Scope for expansion of functions	

NORTH WALES			
CYNNAL			
<p>Joint company set up by Gwynedd Council and Isle of Anglesey County Council to deliver school improvement and support services on a buy back basis.</p> <p>Some statutory LEA functions are included.</p>			
Partners			
Gwynedd Council and Isle of Anglesey County Council			
Start Date		Projected end date	Ongoing Partnership
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		The partnership enables more resilient services	
Efficiency Gains			
Contact: Richard Parry Jones, Isle of Anglesey County Council ☎ 01248 723062			
Potential for further partner engagement?		Cynnal is a foundation of the potential sharing of school improvement services across North Wales	

NORTH WALES			
ADOPTION SERVICE			
<p>Children's Services in North Wales are working collaboratively to develop a regional adoption service in North Wales building on consortium arrangements already in place.</p> <p>The work was initially funded by WAG Making the Connections Improvement Fund with additional support from SSIA.</p> <ul style="list-style-type: none"> Completed a feasibility study in conjunction with IPC/Brookes Commissioning BAAF Cymru to project manage implementation process in the next six months. Delivered process 'learning' days. 			
Partners			
Conwy County Borough Council; Anglesey; Wrexham; Gwynedd Council; Flintshire; Denbighshire; SSIA; Welsh Assembly Government			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains		<p>Developed a clear business case for change.</p> <p>Agreed ownership and a clear management structure.</p> <p>Agreed 8 priority actions within the next 6 months.</p>	
Efficiency Gains		Significantly reduced inter-agency fees within the consortium.	
Contact:			
Potential for further partner engagement?			

NORTH WALES			
LEARNING DISABILITY PARTNERSHIP			
<p>The members of NWSSIC agreed to establish a Learning Disability Partnership which will purchase high cost residential placements.</p> <p>A Regional Manger has been appointed to set up the commissioning service, develop a regional users assembly and develop a close working relationship with the NHS.</p> <p>The North Wales Procurement Partnership is assisting with the collation of residential suppliers.</p> <p>Achievements</p> <ul style="list-style-type: none"> • Service Mapping - Examining current service provision in North Wales and comparing costs. • Intelligence Gathering - Meetings were held with each individual to understand local situation. • Visioning Day - Stakeholders from across North Wales (including representatives from the independent and voluntary sectors, local authority employees, parents, carers and service users) came together to discuss the future direction of learning disability services. 			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham) Betsi Cadwalader ULHB; SSIA; North Wales Procurement Partnership			
Start Date	2007	Projected end date	Ongoing
Project Implementation timescale		Took 2 years to implement	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		Better outcomes for users	
Efficiency Gains		£300k 2009/10 from deferring the inflation uplift. £750k (3%) per annum when fully operational	
Contact:			
Cathy Roberts, Denbighshire County Council ① 01248 723062			
Potential for further partner engagement?		The Partnership will take on additional functions over time.	

NORTH WALES			
NORTH WALES SOCIAL SERVICES IMPROVEMENT COLLABORATIVE PROCUREMENT PROJECTS			
<p>The North Wales Social Services Improvement Collaborative has a basket of procurement and service improvement projects: -</p> <ul style="list-style-type: none"> • Domiciliary Care • Residential and Nursing Care <p>These are looking at standard terms and conditions, outsourcing of current in house provision, in-house v IS unit costs, regional approved provider list and improved cost effectiveness.</p> <p>The NWPP has some involvement at the behest of NWSSIC.</p>			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham) and BCU HB			
Start Date	2006	Projected end date	Ongoing
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains		Yet to be delivered	
Efficiency Gains		Yet to be delivered	
<p>Contact: Bethan Jones Edwards (NWSSIC), Denbighshire County Council ✉ bethan.m.jonesedwards@denbighshire.gov.uk ☎ 01745 818955 or 07920535974</p>			
Potential for further partner engagement?			no

NORTH WALES			
EMERGENCY DUTY TEAM (SOCIAL WORK) NE WALES			
<p>To provide emergency social work service out of hours on behalf of the three partner authorities</p> <p>Lead authority with joint management committee.</p> <p>Partnership Agreement</p> <p>Reporting to members via responsible Head of Service in each authority</p>			
Partners			
Wrexham County Borough Council (Lead Authority), Denbighshire County Council and Flintshire County Council.			
Start Date	2008	Projected end date	Ongoing - operational service
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	
Effectiveness Gains		<p>Improved resilience (staff cover)</p> <p>Prevented services failing at less cost than achievable by individual authorities.</p> <p>Addressed regulatory concerns</p>	
Efficiency Gains		Minor savings, cost avoidance	
Contact: Bronwen Evans, Wrexham CBC EDT co-ordinator ✉ bronwen.evans@wrexham.gov.uk ☎ 01978 298476			
Potential for further partner engagement?		Possible to include other Counties	

NORTH WALES			
MANAGED AGENCY STAFF SOLUTION			
Joint procurement of an agency staff broker			
Partners			
Wrexham County Borough Council, Denbighshire County Council and Flintshire County Council(Lead Authority)			
Start Date		Projected end date	Ongoing (subject to contract)
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		<ul style="list-style-type: none"> • Deployment of cutting edge technology • Control on agency employment • Improved processes • Management Information 	
Efficiency Gains		Reduced costs and better contract/resource management	
Contact: Chris Guest, Flintshire County Council ☎ 01352 752121			
Potential for further partner engagement?			Yes

NORTH WALES			
EMERGENCY PLANNING			
<p>Shared emergency planning services</p> <p>Service in place for Denbighshire and Flintshire County Councils</p> <p>Provide by Flintshire on an SLA</p>			
Partners			
Wrexham County Borough, Council Denbighshire County Council and Flintshire County Council (Lead Authority)			
Start Date		Projected end date	Annual contract renewal
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		Resilience	
Efficiency Gains		Minor	
Contact: Colin Everett, Chief Executive, Flintshire County Council ☎ 01352 752121			
Potential for further partner engagement?			Yes

NORTH WALES			
JOINT HEAD OF SERVICE (HIGHWAYS AND INFRASTRUCTURE)			
<p>The appointment is based on making efficiency and service improvements by way of shared services between the two authorities on a business case basis over time.</p> <p>The post is supervised by a partnership board.</p> <p>Recent decision to merge Highways and Fleet DSO functions. Working to merge IT and Highways maintenance policies.</p>			
Partners			
Conwy County Borough Council and Denbighshire County Council			
Start Date	2009	Projected end date	Ongoing
Project Implementation timescale	N/A		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains			
Efficiency Gains			
Contact: Stuart Davies, Head of Highways and Infrastructure, Denbighshire County Council ☎ 01824 706000			
Potential for further partner engagement?	No		

NORTH WALES			
REGULATORY SERVICES (CONWY & DENBIGHSHIRE)			
<p>Shared Services and posts from within Regulatory Services e.g. Licensing. Governed by way of Service Level Agreement, with Joint Manager post hosted/employed by Conwy CBC.</p> <p>This initiative achieved an Excellence in Wales award and has been in existence for some 4 years.</p>			
Partners			
Conwy County Borough Council and Denbighshire County Council			
Start Date	2006	Projected end date	Ongoing
Project Implementation timescale		In place	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		More resilient service	
Efficiency Gains		<ul style="list-style-type: none"> • Cashable Savings achieved from line management costs and some elements of the general structure (in the region of £80,000). • Savings also achieved by means of joint software solution. • Non-cashable - Policies and procedures simplified and applied consistently to the benefit of the service and stakeholder. 	
<p>Contact: Phil Rafferty, Head of Regulatory Services, Conwy County Borough Council and Graham Boase, Head of Planning, Denbighshire County Council ✉ phil.rafferty@conwy.gov.uk ☎ 01492 575230</p>			
Potential for further partner engagement?		Under consideration.	

NORTH WALES			
JOINT EQUIPMENT SERVICE			
<p>Joint equipment service between NHS and LA have existed for sometime but in response to a WAG guidance and grant, these were merged across LAs and formal partnership arrangements established (\$33 Pooled budgets).</p> <p>The service provide community equipment for social services and the NHS relating to aids and adaptations for disabled and vulnerable people.</p> <p>The services are Wrexham / Flint; Denbs; Conwy / Gwynedd / Ynys Mon</p> <p>The stores draw on national framework contracts for equipment (PASA) - work initiated in North Wales.</p>			
Partners			
Local Authorities and the NHS			
Start Date	2008/09	Projected end date	Ongoing - operational service
Project Implementation timescale	n/a		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	Improved stock management		
Efficiency Gains	Pooled budgets established; shared procurement		
Contact:			
Bethan Jones Edwards (NWSSIC) Denbighshire County Council			
✉ bethan.m.jonesedwards@denbighshire.gov.uk			
☎ 01745 818955 or 07920535974			
Potential for further partner engagement?	Not at this time		

NORTH WALES			
NORTH WALES RESIDUAL WASTE TREATMENT PROJECT			
<p>Procuring a residual waste solution for the five partner authorities will be required to meet WAG recycling and landfill diversion targets. The five local authorities are neighbours that can help each other. Working together is a more efficient way to use resources for services and facilities which cross local authority boundaries. It makes the most of economies of scale, reduces the need for overall transport and therefore the impact on the environment, and provides best value for the tax payer. Benefits include:</p> <ul style="list-style-type: none"> • Longer term risks are better managed than continuing to landfill wastes (e.g. long term landfill costs could increase considerably) • No guarantee of future landfill capacity in the area (where will the waste go?). • Essential for partner authorities to meet all WAG Waste Strategy targets. • Environmental benefits. <p>The Welsh Assembly government is also encouraging this type of joint working by providing additional financial assistance to enable the partnership to secure future residual waste treatment services.</p> <p>The project has set up a Project Board and Joint Committee with delegated powers to manage the procurement process on behalf of the Partnership, with Flintshire CC acting as lead authority.</p>			
Partners			
Five North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd)			
Start Date	2007	Projected end date	2014 (to contract award) Contract to run until 2041)
Project Implementation timescale	5 - 7 years		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	Enables better residual waste disposal compared to landfill and will contribute additional recycling performance for all Partner Authorities.		
Efficiency Gains	<p>Joint procurement is the most efficient way to procure services. Partner Authorities have carried out option appraisals that clearly demonstrate that the partnership approach will deliver increased value for money (the partnership model is circa 30% less cost than individual authorities securing a solution on their own).</p> <p>Overall the project is projected to save the partnership over £138m over the period 2016 to 2041 when compared to not delivering the project (continued use of landfill).</p>		
<p>Contact: Stephen Penny, Flintshire County Council ✉ stephen.penny@flintshire.gov.uk ☎ 01352 704 914</p>			
Potential for further partner engagement?	Yes		

NORTH WALES			
TELECARE			
<p>This project, led by Local Authority Chief Executives in North Wales is taking a collaborative approach to the development of Telecare services in the region.</p> <ul style="list-style-type: none"> • The first phase engaged consultants to carry out a baseline review and options appraisal. • The second phase is the development of a business case for a regional monitoring centre • Phase 3 will move to the development of a regional Telecare service, building on the creation of the monitoring centre <p>The project has brought together LA officers at all levels to focus on the medium to long term options for delivering telecare services regionally. This involves both call monitoring centre options and the development of a range of common service and management issues across the region. Aiming to establish a single centre serving five councils to handle community alarm, telecare and out of hours calls.</p> <p>Conwy lead authority</p>			
Partners			
Five North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd)			
Start Date	2006	Projected end date	December 2010
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		Service benefits	
Efficiency Gains		Potential savings of £500k per annum, equivalent to 30% reduction in costs. Investment requirement of £300k	
Contact: Stephen Jones, WLGA Regional Co-ordinator ✉ stephen.jones@wlga.gov.uk ☎ 07775 885053			
Potential for further partner engagement?		yes	

NORTH WALES			
PASSENGER TRANSPORT			
Aiming to establish shared services, improve tendering and route planning.			
Currently procuring consultants to deliver: -			
<ul style="list-style-type: none"> • Route reviews • Commissioning process reviews • Policy modelling • Management Reviews 			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham)			
Start Date	2006	Projected end date	2012
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains			
Efficiency Gains			
Contact:			
Stephen Jones, WLGA Regional Co-ordinator			
✉ stephen.jones@wlga.gov.uk			
☎ 07775 885053			
Potential for further partner engagement?		No	

NORTH WALES			
SPECIALIST PLANNING SERVICES			
<p>This project is examining the sharing of specialist services like: -</p> <ul style="list-style-type: none"> • Bio-Diversity • Waste and Minerals Planning • Landscape architecture • Tree Management and • Buildings Conservation <p>Currently a pilot of shared waste and minerals planning is being progressed by Flintshire County Council.</p> <p>The North Wales Planning Officers Group have also agreed to share a Community Infrastructure Levy Officer.</p> <p>Gwynedd Council and Isle of Anglesey County Council have agreed to share their LDP teams.</p>			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham)			
Start Date	2008	Projected end date	Ongoing
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		These projects are about improving the management of specialist services and resilience of scarce resources.	
Efficiency Gains		These could arise from reducing the amount of work contracted out to the private sector and retained by better specialist services.	
Contact:			
Andy Farrow, Head of Planning, Flintshire County Council ① 01352 752121			
Potential for further partner engagement?			

NORTH WALES			
CLOSED CIRCUIT TELEVISION (CCTV)			
<p>This project aims to renew CCTV infrastructure (IT Systems and Control Rooms) in the context of equipment wearing out and cessation of Home Office Grants.</p> <p>An invest to save bid was successful.</p> <p>Conwy is leading the project in partnership with the North Wales Police.</p>			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham) and the North Wales Police.			
Start Date	2009	Projected end date	2012
Project Implementation timescale	2.5 years		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	Single control room and single format		
Efficiency Gains	Able to trade Possibly £450k per annum		
Contact: Phil Rafferty Conwy County Borough Council ☎ 01492 574000			
Potential for further partner engagement?			

NORTH WALES			
NORTH WALES SOCIAL SERVICES IMPROVEMENT COLLABORATIVE PROCUREMENT PROJECTS			
<p>The North Wales Social Services Improvement Collaborative has a basket of procurement improvement projects: -</p> <ul style="list-style-type: none"> • Domiciliary Care • Residential and Nursing Care <p>These are looking at standard terms and conditions, outsourcing of current in house provision and improved cost effectiveness.</p> <p>The NWPP has some involvement at the behest of NWSSIC.</p>			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham)			
Start Date	2006	Projected end date	Ongoing
Project Implementation timescale			
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains	Yet to be delivered		
Efficiency Gains	Yet to be delivered		
Contact: Bethan Jones Edwards (NWSSIC), Denbighshire County Council ☎ 01248 723062			
Potential for further partner engagement?			

NORTH WALES			
JOINT HEAD of CHILDREN'S SERVICES (CONWY & DENBIGHSHIRE)			
This is a new project which will aim to create a joint service serving the two councils.			
Partners			
Denbighshire County Council and Conwy County Borough Council			
Start Date	2010	Projected end date	N/K
Project Implementation timescale		N/K	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		Greater service resilience especially in most specialised services. Better opportunities for career progress and succession. Same partner agencies shared - potential for greater co-working and influence. Greater planning, development and QA capacity plus more opportunity to deliver bilingual service. Potential building block for more extensive collaboration across the two Social Services Departments	
Efficiency Gains		Additional costs are anticipated to fall on Children's Services as the result of high profile cases like that of Baby Peter, increased inspection/regulation and recession impacts. These are already tracking through in increased numbers of care proceedings, for example. A greater critical mass should help protect a highly sensitive front line service during recession and public sector cuts efficiencies from reducing duplication could both contribute to savings requirements and enable reinvestment in pressure areas.	
Contact: Sally Ellis, Director of Social Services and Housing, Denbighshire County Council ✉ sally.ellis@denbighshire.gov.uk ☎ 01824 706149 Joanna Griffiths, Director of Social Services, Conwy County Borough Council ✉ Joanna.griffiths@conwy.gov.uk ☎ 01492 575687			
Potential for further partner engagement?		Additional Functions	

NORTH WALES			
TWENTY FIRST CENTURY SCHOOLS			
Regional Delivery Body for a national programme. Flintshire County Council leading for the 6 North Wales Councils			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham), WLGA and WAG			
Start Date	2010	Projected end date	N/K
Project Implementation timescale	N/K		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains			
Efficiency Gains			
Contact: Ian Budd, Director of Lifelong Learning, Flintshire County Council ☎ 01248 723062			
Potential for further partner engagement?			

NORTH WALES			
SHARED LEGAL SERVICES			
There is potential for a new project based on shared legal services building on the experience of the South West Wales Legal Services Project.			
Partners			
The Six North Wales Councils (Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham)			
Start Date	2010	Projected end date	N/A
Project Implementation timescale	N/A		
Collaborative working Category:	Service Improvement	y	
	Efficiencies	y	
Effectiveness Gains			
Efficiency Gains			
Contact: Trevor Coxon, Wrexham County Borough Council ☎ 01978 292000			
Potential for further partner engagement?			

NORTH WALES			
WALES PENALTY PROCESSING PARTNERSHIP			
<p>This partnership, delivered by Denbighshire County Council processes parking penalty processes</p> <p>The partnership enabled lower costs on start up as they were based on a centre of excellence in Denbighshire. (20% approximately)</p> <p>It is the basis of a best practice group</p> <p>Ongoing shared service partnership with a management board.</p>			
Partners			
Conwy County Borough Council, Wrexham County Borough Council, Denbighshire County Council and Gwynedd Council			
Start Date	N/A	Projected end date	Ongoing
Project Implementation timescale		Took 6 - 9 months to set up	
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains		Quicker and cheaper implementation of civil parking enforcement	
Efficiency Gains		<ul style="list-style-type: none"> • Savings on IT and supervision costs. • Higher productivity on a best practice site • Procurement savings from joint procurement 	
Contact:			
Mike Hitchens and Derek McEwen, Denbighshire County Council ☎ 01824 706000			
Potential for further partner engagement?		Potential to expand and assist other councils in Wales	

NORTH WALES			
HEALTH & SOCIAL CARE SUPPORT WORKER			
<p>This project has been about developing a community based support worker able to support multi-disciplinary teams with the implementation of outcome based care plans where both health and social care support needs have been identified.</p> <p>Most importantly the aim was to develop a worker able to support front-line professionals in the ongoing assessment of clients' needs. The accurate assessment of need across health and social care boundaries is the key to effective outcome based person-centred care planning. As a worker who has a lot of face to face contact with clients, support workers are perfectly placed to assist professionals with the ongoing assessment of need.</p> <ul style="list-style-type: none"> • Health and Social Care support worker model developed • The role is in the process of being piloted in the IC Response service through a Service Level Agreement between Denbighshire County Council, Denbighshire LHB and DCC Home Care service. • A Health Act Flexibility Agreement (under section 33 of the National Health Service Wales Act 2006) developed to enable Local Authority employees to carry out the role • An evaluation framework for the pilot developed 			
Partners			
Denbighshire County Council; Betsi Cadwalader LHB			
Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:		Service Improvement	
		Efficiencies	
Effectiveness Gains		<ul style="list-style-type: none"> • Training program developed to include completion of Technical Certificate, NVQ level 3, ad bespoke additional learning packages • Training partnership developed to deliver training • 8 H&SC have successfully completed their training 	
Efficiency Gain			
Contact:			
Potential for further partner engagement?			

PROCUREMENT

PROCUREMENT		
WELSH PURCHASING CONSORTIUM		
<p>The WPC has the 16 South and Mid Wales local authorities as members.</p> <p>Annual influence able expenditure: £355,144,727</p> <p>Procurement is categorised into seven Groups:</p> <ul style="list-style-type: none"> • Construction Services • Building Materials • Food • Professional Services • Corporate Needs • Social Care • Energy <p>A forward contract programme is undertaken collaboratively through the officers of member authorities. Strategic Management is provided by a nominated Board of officers and members.</p>		
Partners		
<p>Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Carmarthenshire, Ceredigion, Merthyr Tydfil, Monmouthshire, Neath Port Talbot, Newport, Pembrokeshire, Powys, Rhondda Cynon Taf, Swansea, Torfaen, Vale of Glamorgan.</p>		
Start Date	October 2008	Projected end date Ongoing
Project Implementation timescale	Implemented	
Collaborative working Category:	Service Improvement	Y
	Efficiencies	Y
Effectiveness Gains		
Efficiency Gains (2008/9)	<p>Reported efficiencies achieved through existing WPC arrangements for the year 2008/9 has indicated:</p> <p style="text-align: center;">£443,000 cashable savings</p> <p style="text-align: center;">£900,000 non cashable savings</p> <p>Significant saving achieved through the Energy project are detailed separately.</p>	
<p>Contact: Robert Jones, WPC Procurement Manager</p> <p>✉ roberjones@cardiff.gov.uk ☎ 02920 788 374</p>		
Potential for further partner engagement?	<p>All Authorities within operating territory are engaged.</p> <p>Ongoing dialogue and comparison of work programmes with North Wales Procurement Partnership.</p> <p>The Consortium includes a collaborative option in its frameworks, which allows any Public Sector organisation to potentially utilise the arrangement.</p>	

PROCUREMENT			
NORTH WALES PROCUREMENT PARTNERSHIP			
<p>The NWPP comprises all six Local Authorities in North Wales.</p> <p>Annual influenceable expenditure: £216,839,664.</p> <p>A comprehensive work programme has been developed covering four main areas of:</p> <ul style="list-style-type: none"> ▪ Corporate and Education ▪ Property, Construction and Estates ▪ Fleet and Transport ▪ Social Care. 			
Partners			
Anglesey, Ceredigion, Conway, Denbighshire, Flintshire, Wrexham			
Start Date		Projected end date	Ongoing
Project Implementation timescale	Ongoing		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains			
Efficiency Gains (2009/10 (Projected))	<p style="text-align: right;">PPE - £ 70,000 p.a. [15%] Energy Heating Fuel - £145,000 p.a. [13.5%] Fuel DERV - £226,500 p.a. [6.6%] General Plant Hire - £ 52,000 p.a. [1%] School Transport - £530,000 p.a. [9.3%] Construction Professional Services - £468,000 p.a. [10%] Total £1,023,500</p>		
<p>Contact: Douglas Powell ✉ Doug.Powell@gwynedd.gov.uk ☎ 07966582119</p>			
Potential for further partner engagement?	<p>All Authorities within operating territory are engaged.</p> <p>Ongoing dialogue and comparison of work programmes with Welsh Purchasing Consortia.</p> <p>The Consortium includes a collaborative option in its frameworks, which allows any Public Sector organisation to potentially utilise the arrangement.</p>		

PROCUREMENT			
ENERGY [WPC]			
<p>Rhondda Cynon Taf CBC is the lead on an Energy arrangement which has established a specific Welsh element within OGC Business Solution package.</p> <p>Contract has 10,000 sites with a contract value of £65m. Savings in excess of £2 Million per annum have been realised from the various advantages that the collaborative arrangement brings.</p> <p>The government target of 10% energy from renewables has been, and can continue to be, met by the managed service.</p>			
Partners			
<p>Since the introduction of the new energy partnership, Pembrokeshire, Carmarthenshire and Powys have also joined the energy consortium.</p> <p>There are now 15 participating authorities in the WPC Energy arrangement:</p> <p>Blaenau Gwent, Bridgend, Cardiff, Carmarthenshire, Caerphilly, Merthyr Tydfil</p> <p>Monmouthshire, Neath Port Talbot, Newport, Powys, Pembrokeshire, Rhondda Cynon Taf, Swansea, Torfaen, Vale of Glamorgan.</p> <p>WPC Independent customers also participate and account for approximately 10% of the overall Welsh Purchasing Consortium, thus further promoting the Welsh collaboration agenda:</p> <p>South Wales Police, Dyfed Powys Police, Gwent Police, South Wales Fire Service, Mid and West Wales Fire Service, University of Glamorgan, Newport University, Wales Millennium Centre</p>			
Start Date	July 2009	Projected end date	Oct 2012
Project Implementation timescale	Implemented		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains			
Efficiency Gains (2008/9)	Estimated £2,030,000		
<p>Contact: Vince Hanly, Rhondda Cynon Taf County Borough Council</p> <p>✉ Vince.Hanly@rhondda-cynon-taff.gov.uk</p> <p>☎ 01443424362</p> <p>Welsh Purchasing Consortium Contact: Robert Jones</p> <p>✉ roberjones@cardiff.gov.uk</p> <p>☎ 02920788374</p>			
Potential for further partner engagement?	15 of 22 authorities engaged to date.		

PROCUREMENT**SOUTH EAST WALES HIGHWAYS FRAMEWORK AGREEMENT**

South East Wales Contractor Framework Contracts is a framework for Highway Related Civil Engineering, and Surfacing Works for the SE Wales public sector.

Rhondda Cynon Taf CBC, acting as lead authority, have established the 4 year arrangement for contracts with an indicative aggregate value of £200,000,000.

Contractors and sub contractors are required to take account of and actively participate in, environmental, social and economic impacts to delivery within the community and surrounding areas.

Partners

The framework has been targeted at SE Wales authorities and is available for use by other public sector bodies including WAG.

21 contracts placed under the framework so far, with a cumulative value of £6.2 m by a number of the partners including:

Rhondda Cynon Taf CBC,

Merthyr Tydfil CBC,

Vale Of Glamorgan CC,

Bridgend CBC and

Caerphilly CBC

Start Date	April 2009	Projected end date	2013
Project Implementation timescale	Four years		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains			
Efficiency Gains	Due to the individual nature of each contract and the longer term implementation associated with Engineering works, the efficiency savings are currently still in the process of being captured.		
Contact: Vince Hanly, Rhondda Cynon Taf County Borough Council			
✉ Vince.Hanly@rhondda-cynon-taff.gov.uk			
☎ 01443424362			
Potential for further partner engagement?	Yes		

PROCUREMENT			
TYRES AND SERVICING			
Lead Authority: Neath Port-Talbot CBC			
Tyres & Services- A total of £2,003,950 has been spent against the framework to date for this financial year, with an achieved saving of £100,198.			
Partners			
All 22 Welsh Local Authorities have utilised the arrangement			
Start Date	01/05/06	Projected end date	30/04/10
Project Implementation timescale			
Collaborative working Category:		Service Improvement	y
		Efficiencies	y
Effectiveness Gains			
Efficiency Gains (2009/10)		£100,198 (to Dec 09)	
Contact: Robert Type, Head of Procurement, Neath Port-Talbot CBC.			
✉ r.type@neath-porttalbot.gov.uk			
Potential for further partner engagement?		The framework includes a collaborative option, which allows any Public Sector organisation to potentially utilise the arrangement.	

PROCUREMENT			
COMMERCIAL VEHICLES			
<p>Flintshire County Council are the lead authority for a cross sector arrangement for the acquisition of Commercial Vehicles . A total of £4,300,001 has been spent against the framework to date for this financial year, with an achieved saving of £352,600.</p>			
Partners			
19 of the 22 Welsh Local Authorities have utilised the arrangement			
Start Date	01/03/06	Projected end date	28/02/09
Project Implementation timescale			
Collaborative working Category:	Service Improvement	y	
	Efficiencies	Y	
Effectiveness Gains			
Efficiency Gains (2009/10)	£352,600 (to Dec 09)		
Contact: http://www.flintshire.gov.uk/			
Potential for further partner engagement?	The framework includes a collaborative option, which allows any Public Sector organisation to potentially utilise the arrangement.		

PROCUREMENT			
SPECIALIST VEHICLES			
Newport CC are the lead for acquisition of Specialist Vehicles - A total of £5,589,682 has been spent against the framework to date for this financial year, with an achieved saving of £152,583.			
Partners			
17 of the 22 Welsh Local Authorities have utilised the arrangement			
Start Date	1st February 2007	Projected end date	31st January 2010
Project Implementation timescale			
Collaborative working Category:	Service Improvement	y	
	Efficiencies	Y	
Effectiveness Gains			
Efficiency Gains (2009/10)	£152,583 (to Dec 09)		
Contact: Sheila Powell Head of Procurement, Newport City Council <input type="checkbox"/> sheila.powell@newport.gov.uk			
Potential for further partner engagement?	The framework includes a collaborative option, which allows any Public Sector organisation to potentially utilise the arrangement.		

COLLABORATIVE PROCUREMENT**SCHOOL TRANSPORT (NWPP)**

As part of its work programme the North Wales Procurement Partnership (NWPP) Board prioritised the progression of a collaborative procurement project for school transport. Achievements to date by the 4 local authorities currently participating in the project indicate a saving of £312, 182 against a contract tender value of £3,366,200.

Partners

Denbighshire, Flintshire, Conwy and Wrexham.

Start Date	October 2009	Projected end date	Roll out into 2011
Project Implementation timescale			
Collaborative working Category:		Service Improvement	Y
		Efficiencies	Y
Effectiveness Gains			
Efficiency Gains (2009/10)		£312,182 (@ March '10)	

Contact:

✉ Doug Powell@gwynedd.gov.uk

Potential for further partner engagement?	The principle of e.auctions on school transport has now been accepted and will be rolled out to Gwynedd and Anglesey. Other LAs in Wales has expressed a wish to participate in the initiative.
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PROCUREMENT

REABLEMENT TOOLKIT

Promoting independence is a cornerstone of social services policy and within this awareness of demographic pressures and the growing focus on outcomes has meant that reablement services are becoming increasingly important. One aspect of the work was the development of a Reablement Toolkit which contains:

- A baseline questionnaire with the ability to interrogate this by Authority or by question posed;
- A self-assessment tool, against a gold standard, with the ability to prioritise development areas and plan for change;
- A simulation tool designed to indicate the scale and impact of an optimised reablement service.
- A competency framework

In addition the toolkit provides access to a systems model that simulates potential capacity requirements and can be scaled to give an indication of the likely capacity required and benefits expected from an optimised reablement service.

Current evidence from this work shows that approximately 50% of service users who go through a reablement programme do not require any on-going care for at least 2 years.

Partners

Gwynedd Council; Ynys Mon; Denbighshire Council; Monmouthshire Council; Newport City Council; Cardiff Council; Bridgend County Borough Council; Ceredigion Council; Powys Council and SSIA.

Start Date		Projected end date	
Project Implementation timescale			
Collaborative working Category:	Service Improvement		
	Efficiencies		
Effectiveness Gains	Current evidence from this work shows that approximately 50% of service users who go through a reablement programme do not require any on-going care for at least 2 years.		
Efficiency Gains			
Contact:			
Potential for further partner engagement?			

PROCUREMENT			
AGENCY STAFF			
<p>Welsh Local Authorities have led innovative agency staff procurement, with a new arrangement now being established led by Cardiff CC, in conjunction with Newport CC, and in North Wales by Denbighshire CC.</p> <p>Following initial scoping, agency staff were sourced locally through three models of vendor managed networks, bringing improved visibility and control to a difficult area of procurement.</p> <p>A new Consortium arrangement will drive further efficiencies by rationalisation and regional collaboration.</p>			
Partners			
<p>Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Carmarthenshire, Ceredigion, Merthyr Tydfil, Monmouthshire, Neath Port Talbot, Newport, Pembrokeshire, Powys, Rhondda Cynon Taf, Swansea, Torfaen, Vale of Glamorgan.</p>			
Start Date	2011	Projected end date	2015
Project Implementation timescale	In progress to March 2011		
Collaborative working Category:	Service Improvement	Y	
	Efficiencies	Y	
Effectiveness Gains	<ul style="list-style-type: none"> ▪ Agreed & Consistent Mark Up Rates ▪ Standardised Job Descriptions ▪ Consolidated Invoices ▪ Supplier provided Relationship Management ▪ Consistent Process through IT System ▪ Reduced Cold Calling ▪ Single Point of Contact ▪ Standardised / Transparent Process ▪ Full Management Information ▪ Quality Checks on Agencies & Workers ▪ Support for Workforce Planning ▪ Social Inclusion Agenda 		
Efficiency Gains (Projected saving)	£7,620,000		
<p>Contact: Robert Jones, WPC Procurement Manager</p> <p>✉ roberjones@cardiff.gov.uk</p> <p>☎ 02920 788 374</p>			
Potential for further partner engagement?	The framework includes a collaborative option, which allows any Public Sector organisation to potentially utilise the arrangement.		

PROCUREMENT			
PUBLIC SECTOR WIDE FRAMEWORKS			
All 22 local authorities participate in some, and in many cases all, of the following frameworks, which are led by various public sector organisations with support via Value Wales.			
Framework	LA Expenditure 2009/10 (to Dec.'09)	LA Savings (to Dec.'09)	
IT Equipment & Associated services	£6,392,805	£2,109,626	
Interactive Whiteboards, Projectors and AV	£507,176	£65,984	
Photocopiers (old)	£1,129,057	£112,906	
Photocopiers (new)	£329,730	£25,884	
Stationary	£2,813,542	£576,510	
Copier Paper	£1,694,463	£388,689	
Educational Materials	£4,695,134	£248,079	
Computer Consumables	£2,662,479	£51,583	
Postal Services	£331,183	£80,875	
Hire of Car, Commercial and Specialist Vehicles	£1,740,857	£400,208	
Tyres & Services ***	£2,003,950	£100,198	
Commercial Vehicles ***	£4,300,001	£352,600	
Specialist Vehicles ***	£5,589,682	£152,583	
Media Advertising	£2,410,044	£120,502	
Signpost savings		£859,615	
Mobile Phones	£2,412,795	£815,821	
Telephony Collaborative Purchasing Agreement	£5,498,774	£871,361	
Total	£44,511,672	£7,333,024	
Partners			
As above. *** - see additional details on separate page.			
Start Date	Variable per framework	Projected end date	Variable per framework
Project Implementation timescale		Ongoing	
Collaborative working Category:		Service Improvement	
		Efficiencies	Y
Effectiveness Gains			
Efficiency Gains (2009/10)		£7,333,024 (To Dec.'09)	
Contact:			
Potential for further partner engagement?		Yes	