

Jane Hutt AC / AM
Y Gweinidog Cyllid ac Arweinydd y Ty
Minister for Finance and Leader of the House



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref
Jocelyn Davies AM
Chair, Finance Committee
National Assembly for Wales
Cardiff Bay,
Cardiff
CF99 1NA

30 January 2013

Dear Jocelyn

Following my attendance at the Finance Committee on 16 January and your subsequent letter of 17 January, I am writing with the additional information sought in relation to your inquiry into Invest-to-Save. The information is provided in the order set out in your letter.

The geographical spread of Invest-to-Save applications

Although the geographical location of bids is not part of the fund's assessment criteria, I am always mindful of how the public service across the whole of Wales responds to the opportunity presented by the fund.

When I gave evidence to the Committee earlier this month, I said that there had been a good response to my invitation to the public service to bring forward new project proposals under Round VII of the Fund. Overall, there are 21 proposals; however, one of these is an emerging programme by the National Assets Working Group which currently has three specific projects. Proposals have a wide geographical distribution with: eight being all-Wales proposals, six being from North Wales; five being from Mid and West Wales; two being from Gwent; and, single proposals from both Cwm Taff and Cardiff & Vale.

A note explaining how the Welsh Government ensures that projects are clear about the criteria that they need to follow when bidding for Invest to Save funding

The Fund's criteria are set out in guidance and the expression of interest application form asks questions on each of these. The guidance and application form are made available to all potential applicants and is available on the Welsh Government's web site.

Anyone considering making an application to the Fund is strongly recommended to discuss their project proposal with a member of the Invest-to-Save Unit before they apply for funding. Members of the Invest-to-Save Unit are happy to provide advice and further guidance to potential applicants and to discuss specific project proposals, including their likely eligibility.

Bae Caerdydd • Cardiff Bay
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Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

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Further details on the membership of the stage 2 panel, including details on the levels of expertise on those panels, and of measures taken to ensure that the process is less intimidating for bidders

The work of the Invest-to-Save Panel and Unit is overseen by the Director General, Strategic Planning, Finance and Performance, including the making of appointments to the Panel. Core membership of the Panel currently includes the Welsh Government's: Deputy Director of the Strategic Investment Division; Chief Economist; Head of NHS Financial Management; Deputy Director of Public Service Reform; and, the Head of the Invest-to-Save Unit.

The stage 2 panel meetings provide project promoters the opportunity to present their proposal and for Welsh Government officials to discuss key aspects of the project with those responsible for taking it forward. The aim of such meetings is to provide a simple and non-bureaucratic mechanism for the panel to be able to quickly arrive at a recommendation on whether or not a project proposal should be supported.

Since the approach was introduced we have responded to suggestions that the approach was "daunting" for short-listed applicants and have introduced guidance on "*what to expect*", which is provided in advance to those attending meetings. Officials also provide a steer to applicants on the key areas that the panel wishes to discuss – previously identified during the short-listing process.

Clarification on how perceived similarities between the assessment criteria for the Invest to Save Fund and the Regional Collaboration Fund will be managed by the Welsh Government

In answering your query, I think that it is important to re-state the point that I have made previously about how the Minister for Local Government and Communities and I have worked and will continue to work closely on these funds to ensure compatibility. Furthermore, our respective officials have also worked on our behalf to align criteria and processes.

In preparing for the introduction of the Regional Collaboration Fund (RCF) the Minister for Local Government and Communities wrote to local authority leaders about the his new Fund, but at that time also drew attention to the continued availability of Invest-to-Save support and therefore the sector has been made aware of both forms of support and of their availability in different circumstances.

Both funds are currently assessing applications in readiness for approvals to be made in good time before the start of the new financial year, when funding becomes available. The broad alignment of appraisal timetables provides the opportunity for us to manage the complementary funds to best effect.

We have also sought commonality regarding those officials considering applications, with the RCF advisory panel including members drawn from my department who are members of the Invest-to-Save officials' panel. My officials will draw from their experience and the lessons learned from the introduction and development of the Invest-to-Save Fund and specifically offer advice about the level of evidence required to meet assessment criteria and on what type of Welsh Government support would be the most appropriate for individual projects. Additionally, I have agreed with the Minister for Local Government and Communities that any proposals submitted under RCF that lend themselves more to an I2S approach, will be referred to that fund.

Given the newness of the Regional Collaboration Fund (RCF), arrangements have of course yet to be fully tried and tested, but we have put in place arrangements to help the funds run smoothly together and to help mitigate any potential overlap or confusion for applicants. We will, however, take stock of the arrangements as matters progress.

A note on the disparity between evaluations conducted by Swansea University and CSSIW of the Neath Port Talbot County Borough Council Lean project

In responding to your request, I will comment upon the provision of Invest-to-Save funding to the Neath Port Talbot project and offer some observations on the evaluations to which you refer.

Invest-to-Save support was provided towards proposals aimed at improving children's services at Neath Port Talbot. Specifically, the investment was provided so that the authority could implement its project proposal:

- to reduce demand on children's social work services by refining systems by which assessment and case management staff work;
- to transform guidance for the procedures and processes related to the support and safeguarding of children in need, in need of protection and children looked after;
- to produce a service user centred approach to delivery of assessment and case management services;
- to redevelop support systems & structures in accordance with the outcome of the review; and,
- to translate learning from the review across Wales.

The short-term repayable funding was made available to help towards the cost of back-filling posts to enable staff sufficient time to engage in the project and, to pay for specialist advice.

The "evaluations" to which you refer although having some common ground are nevertheless very different pieces of work that were undertaken at different times. Swansea University evaluation was commissioned by Neath Port Talbot to undertake an evaluation of the project relating to the roll-out of the systems review work. This was undertaken when the project was on-going and as such the evaluation report provided an overview for management of the early progress of the project. The University's report recognised that it was unrealistic to expect the full benefits of the new approach to be evidenced in the short-term and it drew attention to some areas where good progress was thought to have been made and it identified issues possibly requiring future attention.

The CSSIW inspection and subsequent report considered the authority's Children's Social Services. The inspection was undertaken some 12-months on from the Swansea University project evaluation and therefore at a time when further progress on the systems review had been made and when its impact was more apparent. Inspection reports by CSSIW stand on their own.

*I hope this is helpful,
Best wishes,
Jane*

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