



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Cyllid](#)

[The Finance Committee](#)

21/06/2017

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Evidence Session 3

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd. Lle y mae cyfranwyr wedi darparu cywiriadau i'w dystiolaeth, nodir y rheini yn y trawsgrifiad.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included. Where contributors have supplied corrections to their evidence, these are noted in the transcript.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mike Hedges Bywgraffiad Biography	Llafur Labour
Steffan Lewis Bywgraffiad Biography	Plaid Cymru The Party of Wales
Eluned Morgan Bywgraffiad Biography	Llafur Labour
Nick Ramsay Bywgraffiad Biography	Ceidwadwyr Cymreig Welsh Conservatives
David Rees Bywgraffiad Biography	Llafur Labour
Simon Thomas Bywgraffiad Biography	Plaid Cymru (Cadeirydd y Pwyllgor) The Party of Wales (Committee Chair)

Eraill yn bresennol
Others in attendance

Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Caerfyrddin Director of Corporate Services, Carmarthenshire County Council
Jon Rae	Rheolwr Adnoddau, Cymdeithas Llywodraeth Leol Cymru Director of Resources, Welsh Local Government Association
Dave Street	Cyfarwyddwr Corfforaethol Gwasanaethau Cymdeithasol, Cyngor Bwrdeistref Sirol Caerffili Corporate Director of Social Services, Caerphilly County Borough Council

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

Gemma Gifford Dirprwy Glerc
Deputy Clerk

Owen Holzinger Y Gwasanaeth Ymchwil
The Research Service

Cath Hunt Ail Glerc
Second Clerk

*Dechreuodd y cyfarfod am 11:04.
The meeting began at 11:04.*

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

[1] **Simon Thomas:** Galwaf y **Simon Thomas:** I call the Finance
Pwyllgor Cyllid i drefn felly, a Committee to order then, and I'd like
chroesawu Aelodau yn ôl ar ôl y to welcome the Members back
sesiwn a gawsom y bore yma. following the session we had earlier
this morning.

**Ymchwiliad i'r Amcangyfrifon Ariannol sy'n cyd-fynd â Deddfwriaeth:
Sesiwn Dystiolaeth 3
Inquiry into the Financial Estimates Accompanying Legislation:
Evidence Session 3**

[2] **Simon Thomas:** Nawr mae **Simon Thomas:** Now we have an
gennym ni sesiwn dystiolaeth gyda evidence session with the Welsh Local
Chymdeithas Llywodraeth Leol Government Association. Welcome to
Cymru. Croeso mawr i bawb. A gaf i everyone. Can I ask the witnesses,
ofyn gyntaf oll i chi fel tystion jest please, to introduce yourselves and
ddatgan eich enwau a'ch your posts within the Welsh Local
swyddogaethau tu fewn i Gymdeithas Government Association for the
Llywodraeth Leol Cymru, jest ar gyfer Record? Can I start with Mr Street?
y Cofnod, os gwelwch yn dda? Os caf
i ddechrau gyda Mr Street.

Simon Thomas: If you could just state your name and—

[3] **Mr Street:** Sorry. Dave Street. I'm president of the Association of Directors of Social Services Cymru, and my day job, if you like, is director of social services at Caerphilly County Borough Council.

[4] **Mr Rae:** And I'm Jon Rae. I'm the director of resources at the WLGA.

[5] **Mr Moore:** I'm Chris Moore, director of corporate services at Carmarthenshire County Council.

[6] **Simon Thomas:** Diolch yn fawr i chi. Fel y dywedais i ar y cychwyn, rwy'n ymwybodol ei bod yn dwym iawn yn yr ystafell yma, felly i bawb wneud yn siŵr eich bod yn gartrefol. Tynnwch eich siacedi neu eich teis, neu beth bynnag, achos mae'n hynod o dwym.

Simon Thomas: Thank you very much. As I said at the outset, I'm aware it's very warm in this room, so please make sure that you are as comfortable as possible. Feel free to remove your jackets or your ties, because it is very warm.

[7] Os caf ofyn i ddechrau i bawb am eich rhagolwg cyffredinol ynglŷn a rhaglen ddeddfwriaethol y Llywodraeth? Fel Cymdeithas Llywodraeth Leol Cymru, sut ydych chi'n ymateb i'r rhaglen gyfan, ac a ydych chi'n teimlo eich bod chi'n rhan o weld sut y mae'r rhaglen, nid jest Biliau unigol, ond y rhaglen ddeddfwriaethol gyfan yn cael ei chymhwyso gyda chi fel Cymdeithas Llywodraeth Leol Cymru? A ydych chi'n rhan o weld yr effaith mae'n ei chael arnoch chi, ac yn enwedig wrth gwrs y baich ariannol ar lywodraeth leol?

Can I ask then, as we begin, for your general views about the Government's legislative programme? As the WLGA, how do you respond to the programme in its entirety, and do you feel that you are part of looking at how that programme, not just individual Bills, but the entire legislative programme, is relevant to you as the WLGA? Are you part of looking at the effect it has on you, and especially the financial burden on local government?

[8] **Mr Rae:** Well, thank you, Chair, for those questions, and thank you for the invitation here today. I think, when you look at the legislative programme, or maybe looking at the last legislative programme in the fourth Assembly term, there was an ambitious programme there. There tends not to be much, to be perfectly honest, that local government doesn't agree with that needs to be legislated for. The main issue for local government is that

this is all being done against a backdrop of some of the most unprecedented funding reductions that local government has seen since—well, it's unprecedented; let's just leave it at that. And there are also, you know, legislative programmes elsewhere; so, the UK Government has a legislative programme.

[9] In terms of engagement, there does tend to be engagement. There tends to be engagement around how certain Bills will be implemented, how some of the secondary legislation will be implemented, but we find that it's not done in a co-ordinated way. One of the big things that has been a concern for local government, maybe since the mid 2000s, is the lack of any kind of medium-term approach to financial planning on behalf of the Welsh Government. It's something that local government itself has had to learn to do, since the introduction of the prudential code in 2003. Now, with the Well-being of Future Generations (Wales) Act 2015, we have to think a lot more in the longer term about some of these things. So, knowing what's coming up in terms of a legislative programme, and what the short, medium and long-term implications of that are going to be, are kind of vitally important, especially in an era, as I said, of unprecedented funding reductions.

[10] **Simon Thomas:** Can you give us an idea of how you deal with the legislative programme, before we get into some specifics around Bills? Do you have a sense of how the information is presented around the regulatory impact assessments? Are you able to have an ongoing dialogue with Welsh Government around these, or are they taken as individual Bills, so that one sector of WLGA will respond on social services, for example, and another on something else? How do you get the overall sense of the financial impact of the legislative programme on local government as a sector, or can you only do that by totting up the Bills, in effect?

[11] **Mr Rae:** The engagement and our understanding comes from what's a very, I suppose, atomised and siloed kind of process of picking up what's going on from individual Bill management teams. Obviously you'll see a legislative programme, but the sense of how that impacts comes from many different conversations, whether it's with social services directors, potentially even below the level of my colleague Dave here—maybe social services charging officers, who are looking at charging regulations—and in some way we have to kind of pull all that together. And that is a frustrating thing, because not only are these conversations taking place, but there are bits of legislation that will have synergies and impacts on other bits of legislation,

other bits of UK Government legislation, and I don't think these have been thought about or planned for in any kind of systematic or planned way.

[12] **Simon Thomas:** And then as a—. Sorry. Mr Moore.

[13] **Mr Moore:** More from the front end of dealing with it within the local authority, we very much, actually, challenge the departments and the professionals in the departments to try and identify these various legislative changes or pressures to try and co-ordinate this medium-term financial plan. So, it doesn't flow all from one place. We do, from finance officers, rely quite a bit on the finance division of Welsh Government, who do feed out information. But, actually, at the moment, for instance, I'm challenging the service departments on the next three years as to what they believe is going to come up. They generally try and cost that and actually work that through themselves, as opposed to necessarily gaining anything from the feed from the regulatory assessments as such, and we try and build that picture up for ourselves. Now, that is quite difficult when we're putting all that together and, from the other side then, we haven't got any idea of how much funding, which is a bigger proportion of our funding—bear in mind, council tax is only 20 per cent of the overall funding—what level that is going to be at for the next year, let alone three years. But it's very much piecemeal from the professionals in the field, so that engagement in the various professions is quite important, really.

[14] **Simon Thomas:** Well, thank you for that, because that takes me on to where I did want to ask. The follow up, really, was around—. Clearly, every time there's a piece of legislation introduced—as you know, we're looking specifically at four pieces of legislation here, but we are looking at the round, as well, to get a sense of it—so, every time a piece of legislation is introduced, there is a regulatory impact assessment with it. I assume—tell me if it's different—but I assume there's been some dialogue with yourselves about putting the figures into that regulatory impact assessment. But when you have the ongoing implementation of the legislation, and you've just mentioned how you plan that, in effect, at the local level, are you then in a position to, if you like, feed that back to Welsh Government to say, 'Well, on the ground, the legislation was supposed to do X. Actually the impact is X plus one, and you need to bear in mind, now, that this is the impact that your legislation is having upon the actual delivery of services in a time'—as you say—'of austerity'? Is that an ongoing dialogue that you're able to have around these programmes?

[15] **Mr Rae:** To answer that in general terms, I think our experience—going back to the first part of your question, Chair, of being involved in the development of RIAs—I think our experience is mixed. Sometimes there's good, early engagement, and sometimes that good, early engagement actually arises out of some sense of crisis or some sense that there may be an argument down the road about different positions on costs. So, when that happens early or blows over early, there tends to be, then, a good engagement as the RIA develops. But most of the time the regulatory impact assessments are presented as a fait accompli, and the first time we see some of the detailed numbers is when—

[16] **Simon Thomas:** When it's published, yes?

[17] **Mr Rae:** When it's published, yes. Sometimes we will have done our own work before the regulatory impact assessment is published. For example, we did that with the draft local government Bill in 2015: we had commissioned CIPFA to do some work. Sometimes we know it's going to be very difficult. Before the publication of the Social Services and Well-being (Wales) Bill, we commissioned some work from the Institute of Public Care. We knew it was going to be very difficult to put numbers around that, so we knew some of the problems. But, in general, it is a question of engagement—good engagement. If you get local government and other stakeholders in early, there's less to bicker about later.

11:15

[18] And when it comes to the monitoring—I think you touched on this in the second part of your question—of ongoing evaluation, there are some cases where it happens. I'm thinking the best example where we've got an agreement with the Welsh Government to monitor something was the changes in the capital limit. So, the capital limits for residential care rise from £24,000 to £30,000, an amount of money goes into the settlement, the formula then carves it up in a way that may not necessarily match the need on the ground, but we know all these things are happening. We've got an agreement with the civil servants to monitor that and report back over the next year. So, that's a good example, but these examples are very few and far between.

[19] **Mr Moore:** I think the other challenge on that is if the information comes back, then how is that dealt with? Because I think local government, same as yourselves, appreciate that, actually, you've only got one pot of

money that you're distributing, and that may not actually match the need. Local government have got to deliver it, and if you have that information back, how is that going to actually help in terms of—yes, you'll be informed, but can you do anything about it in terms of corrective action? And that, I think, local government would appreciate is probably difficult from your point of view to do anything about it anyway.

[20] **Simon Thomas:** We might explore that a little further with Mike Hedges now.

[21] **Mike Hedges:** I know some people like to go back to the Jones–Essex agreement, but that was made in a time of growth. I would argue—I don't know whether you would agree with me or not—that actually saying, 'This is going to cost another £200,000 to local government or £2 million to local government; we'll identify that and then specify that as being spent' as the local government—because it will only come out of the local government pot, in the end, won't it? They're not going to take the money out of anywhere else. So, saying whether you're funding it or not funding it, the reality is it's all about the absolute amount of money that's coming in. Would you agree with that?

[22] **Mr Moore:** Yes, absolutely, and I think the point there is: whilst it's happening at Welsh Government level, at the local government level we've identified the cost of those legislative changes. The impact of that is that—. Well, the word generally used is 'efficiencies', but it's probably closer to 'cuts' now. But actually, that moves up in terms of the level of other services that actually have a reduction. So, it's actually a balancing game from a local government point of view, because at the end of the day, we will always achieve a balanced budget, but actually, some other service has actually suffered as a consequence of it.

[23] **Mike Hedges:** The other thing is, of course, that it's quite easy to work out the cost of a certain thing; what you can't understand is what demand is going to be. The social services Act is a classic example of that, isn't it? Because sometimes you can release a whole number—a huge number—of hidden demand, and I mean, how do you manage with that and how do you quantify that? Because you can't do much before it comes out, and all this hidden demand then comes in, and you end up with the costs accordingly.

[24] **Mr Street:** I think it's hugely challenging. I think you're absolutely right. You don't have that control over what comes through your door on any

given day and the costs attached to that. Some of the issues that lead to those unexpected demands and pressures are completely out of your control. One of the things that's vexing me at the moment is this hot spell that we're enjoying, and the potential impact that could have on the NHS and hospitals in terms of older people. Those pressures, which perhaps a layperson would think have got nothing to do with local government, will find their way down the line and be pressures for social care directors to respond to. So, actually trying to cost and understand that is extremely difficult. The reality is that you put the service first; you provide that service, and quite frankly, you worry about where the money comes from tomorrow when you've got that little problem out of the way.

[25] **Mr Rae:** I think the question of hidden or latent demand is quite a key one. For some implications, it's easy to work out the cost. We know that the local government wage bill, for example, is £3.5 billion. So, we know when it comes to things like—thinking about UK legislation—the apprentice levy and things like the loss of the NI rebate due to the Pensions Act 2014. Easy to cost out; very difficult to do it with latent demand, especially when it comes to—. In Dave's area, here, in social services, when it comes to estimating the cost of providing—. Take the Social Care Charges (Wales) Measure 2010, which limited the weekly contribution to domiciliary care—limited at the time, I think, to £50. Suddenly, all these self-funders that nobody really knew about just appeared, because, obviously, they weren't on local authority books. That was almost a crippling additional burden—not for all local authorities, but I remember in the Vale of Glamorgan it was a real big issue. And there will be, doubtless, similar issues, although I suspect not to a large extent, for the current increase in the capital allowance for residential care. But, at least in the example of the 2010 charging measure, there was some ameliorative action taken, because we went back to Welsh Government and said, 'Hang on, all these self-funders have just appeared here'. I think the amount of funding increased from £10 million to £16 million at the time. So, it can work. But as you rightly pointed out, Mike, in your first question, you know, at the time of these things all being funded in the Essex-Jones agreement—and that wasn't a complicated thing; it was just a sentence in a letter, to be perfectly honest—it was all done at a time of increase in public spending and increase in funding.

[26] **Mike Hedges:** Yes. Two very quick questions on the end of that: one of the reasons that local authorities use charging is not necessarily always to raise money, but to limit demand. Would you agree with that?

[27] **Mr Street:** I think there have certainly been instances of that. I think particularly in terms of some of the low-level services, that understanding from people that there is going to be a cost if the local authority provides a service, and, actually, there may be ways you can get the service within the private or the independent or voluntary sector at the same, more or less, cost—it can push away demand in certain instances.

[28] **Mike Hedges:** And the last question from me is: how do the other devolved bodies and Westminster deal with these additional demands in terms of providing financial support? Does Northern Ireland or Scotland, especially, give better support to their local authorities than Wales, or are they very similar? Or don't you know? If you don't know—

[29] **Mr Rae:** I think I might have one answer to your question in that we know from statistics published by the Institute for Fiscal Studies that the reductions in local government spending in Wales have been less than they have been in Scotland and in England. In England, I think they've been of the order of about 26 per cent real-terms reductions since 2009–10. In Wales, the real terms reductions have been around about half of that. Scotland's somewhere in between; I can't remember who they're nearer. But, in Scotland, there's been a curious position there, because whilst I think their funding has been higher, the loss of council tax income over a long period, which has been frozen, I think, over anything between 10 to a dozen years, has meant that whilst their funding was a little bit higher, their council tax income has been—they've lost quite a bit through that. So, I think there's been—you know, actually, we've had good support, I suppose, in Wales. There's been an element of protection, if that's what your question was asking.

[30] **Mike Hedges:** Yes. Of course, in Northern Ireland local government is entirely different and—

[31] **Mr Rae:** Very few functions.

[32] **Mike Hedges:** —and the housing—*[Inaudible.]*—so, it's not really comparable; Scotland and England probably are. Anyway, can I just thank you for those answers? That's me.

[33] **Simon Thomas:** Okay, thank you. Steffan Lewis.

[34] **Steffan Lewis:** Thank you, Chair. You mentioned in previous answers

the impact of UK Government legislation on Welsh local authorities. I wondered if you could talk us through any mechanisms that exist between local Government and Welsh Government in terms of the impact of UK legislation and how the pressures are accounted for.

[35] **Mr Rae:** I suppose the best way of answering that is that, in terms of local Government here and UK Government, there are no mechanisms, really, for talking through some of the burdens that come through from UK legislation. We tend to get tipped off about UK legislation through our sister organisation, the Local Government Association, which is based up in London. We get a good idea. I mean, they do have a standard protocol with the Department for Communities and Local Government called the new burdens doctrine. I don't think that works quite as well as it's supposed to work. Through that, we'll have an assessment of our own, increasing responsibilities or new burdens. We'll probably make our own assessment of those. At the time UK Government legislation gets made, various national figures get thrown in—all these big numbers; billions, millions of pounds—and we're really left to make our own assessment of what the impact will be on local government in Wales. We do have a formal mechanism with the Welsh Government through the statutory partnership arrangements, which are part of the Government of Wales Act. There's a partnership council; there's a finance sub-group that sits below the partnership council. It meets twice a year and then, in the July meeting, traditionally, we have a discussion about pressures that are facing local government. But it will be a cursory discussion; it's a one-hour meeting. We might get to discuss £150 million to £200 million-worth of pressures in about half an hour.

[36] **Simon Thomas:** Mike Hedges—is this just a supplementary on this?

[37] **Mike Hedges:** On this, yes. About 12 or 13 years ago I served on the Local Government Association, representing the WLGA on the social care committee. What we found then—and can you tell me if this is still true—is that there'd be legislation in social care in England, going through Westminster, which would be 90 per cent England, but 10 per cent of it would be England and Wales. So, you'd have some England-and-Wales costs in there, which weren't always picked up initially because most of social care is devolved. There were bits of social services that would be devolved, but bits that weren't. Is that still a problem? Or is it that, in devolved areas, there's no effect?

[38] **Mr Rae:** I'd say that you don't tend to see that any more, Mike, to be

perfectly honest. You don't. Where there's a problem sometimes is that if there is a UK Bill that has England and Wales and, potentially, Scottish implications, the answer from the UK Government is, when there was additional money available, 'Oh, it'll come through the Barnett formula'. And, of course, you know, that sounds just like, 'The cheque's in the post'. You never get it, at the end of the day, to be perfectly honest.

[39] **Mr Moore:** There's just one point I wanted to make in going back to the Westminster legislation. From local government, we'll often pick up the first hearing of that information from the budget that actually is produced by the Chancellor. Two good examples are the apprentice levy and the NI contributions. The NI contributions—the increase in there was massive in terms of impact on the actual costs, from our point of view, and the apprentice levy was. And we spent certainly a certain amount of time digging around to try and find out what it meant to actually build it into the three-year plan.

[40] **Steffan Lewis:** Who did you go to to find out what it meant? Did you go to the Welsh Government to ask them to make representations to the Westminster Government? Or do you go direct to the UK Government?

[41] **Mr Moore:** No, we don't go direct to Westminster. We generally use the WLGA and go through colleagues, depending on what they've picked up et cetera, and through the Welsh Government, really. Because we didn't know, for instance, on the apprentice levy, how that was going to actually fall down into Wales, and actually, in the end, it actually fell down where—. Actually, although we're paying the percentage over to national government, in a way, you're getting nothing much back, actually. Because, initially, our anticipation was, 'Oh, well, the apprentice levy will come back in another form, which actually means that we can do something with it with local government and have an impact in the general economy'. But that was in no way going to be happening. So, in the end, it was actually effectively an extra tax on local government. But we tend to research it through our professional fields and through the WLGA et cetera.

11:30

[42] **Mr Rae:** These are substantial costs. The loss of the NI contribution hit us in 2016–17. From memory, I think it was, nationally, a £60 million cost that local government had to absorb. The apprentice levy coming through in the finance Act in the following year was £18 million. I mean, £78 million in

two years is an incredible cost to absorb. To be honest, what Chris has described to you there is perfectly right. We're left scrabbling around in the dark trying to get information about if indeed any of these things are funded—we generally know the answer to that, although we like to be optimistic. But with things like the apprenticeship levy and just trying to find out—. I mean, it wasn't—. We had a pretty good idea, if you've got a 0.5 per cent levy and you know what your wage payroll is, then you know what the cost is going to be and it's how it's going to impact us, you know—are we going to get something back on this? Is it something that we can use to help our own training and apprenticeship schemes? That was the difficulty.

[43] **Steffan Lewis:** What prevents you then from engaging with the UK Government on matters in relation to their legislation, or changes that they make in their budget? Is there a go-to person who the WLGA or local government would go to in the relevant UK departments?

[44] **Mr Rae:** I think on things like the apprenticeship levy, you get the run-around a bit. I mean, I was getting information—. At the time when we were thinking about the impact of the finance Act and the apprenticeship levy, I was getting a lot of information from LGA colleagues, and I can't remember the Government department at the time—and I'd go back to them and they'd say, 'Well, how this gets implemented is a devolved issue. Go to the Welsh Government.' The Welsh Government, it took a while for them to—. I think maybe they were a bit caught short by the announcements. But in the end, they were helpful, but it took a while to get information, I think, from the Welsh Government. Nothing stopping us, but you tend to get passed from pillar to post.

[45] **Mr Moore:** From my experience of the finance division within Welsh Government, they were very good at trying to put the picture together and get the information, but they do struggle sometimes to get that information out of Westminster. So, I think, to be fair, whilst the will is there with colleagues within Welsh Government finance division, they do struggle to get that flow of information down.

[46] **Steffan Lewis:** Thank you for that. Just to move on to regulatory impact assessments and specifically the transitional costs that are offset against longer term savings, what do you make of the method of costing and that approach?

[47] **Mr Rae:** There are always going to be costs and there are always going

to be benefits. I think when it comes to benefits and the savings, the calculation of savings is sometimes more of an art than it is a science. Sometimes, the benefits need to be monetised as well. Sometimes, you can't, you know—. Benefits are improved air quality, sometimes, or a better quality of life et cetera, et cetera. That's more—I don't know what the terminology is—of an exotic economic practice than, say, just estimating the cost. The cost can typically be quite easy to estimate. For example, with some of the costs of the draft local government Bill, looking at the cost of reorganisation, and the reorganisation of local governments has happened in the past, so we've got a very good idea where the costs are going to hit—they're going to hit in terms of staff, they're going to hit in terms of buildings, terms and conditions et cetera.

[48] What we noticed recently—and this goes back to, I think, what Mike was saying before—it's nice to have all these protocols and agreements in place that existed at a time of increasing public spending and increased funding, but now we're into—. In fact, it's nothing new anymore, is it? We're eight or nine years into austerity and we find now that the opening gambit from Welsh Government is that everything is cost-neutral—[*Laughter.*]

[49] **Steffan Lewis:** As if by magic.

[50] **Mr Rae:** And sometimes, as I said, it's very difficult to come up with estimates. Some of the techniques are quite sophisticated, but this is down to monitoring at the end of the day. Let's sit down after it's been implemented and work out whether it was cost-neutral.

[51] **Steffan Lewis:** Would it be fair to say that long-term savings estimates tend to be overoptimistic?

[52] **Mr Rae:** I wouldn't say—. I mean, it depends. It's certainly our experience that, sometimes, savings over a long period are overestimated, but I remember one of the first pieces of work that we did when we were looking at the costs of reorganising local government—we were speaking to consultants who had done some work down with Cornwall, where there'd been quite a large, comprehensive reorganisation of that authority. They said, after a couple of years, you can't find—it's difficult to identify the savings, because, actually, other programmes come along, other transformation programmes, and saving streams stop being attributed to the original reorganisation years back. They start to be attributable to other transformation programmes, as these things naturally evolve.

[53] **Mr Moore:** I think the other thing is that the model changes. As time evolves, the model in terms of what you're looking for out of local government, or what the electorate is looking for from local government, is changing. Local government is a totally different animal to 20 years ago in terms of service delivery, and there's an expectation of continued growth within that. But coming back to your original question, I suppose my answer would be, in terms of long-term savings, and are they overestimated, it depends what they're trying to achieve when they actually calculate the long-term savings.

[54] **Steffan Lewis:** And that long term is so long term that by the time you get to the point where you could analyse any potential savings, models have changed and expectations have changed, and other factors come into play, so there's—

[55] **Mr Moore:** And the delivery has changed as well, yes. Very much so.

[56] **Steffan Lewis:** Diolch.

[57] **Simon Thomas:** David Rees.

[58] **David Rees:** Thank you, Chair. Well, to continue from that point, since you argued over what is cost-neutral, and the social services and well-being Act was one of the ones that were hailed as cost-neutral. There was a lot of discussion after about whether that was actually a valid statement or not. In relation to that, what discussions did you have with the Welsh Government to challenge the concept of cost-neutrality and perhaps to come up with some figures that have been more realistic?

[59] **Mr Rae:** As I said, with the social services and well-being Act, it was one of those pieces of legislation where —it was essentially an enabling Act. I think we recognised—we'd commissioned work at the outset. We were so concerned about it we chummed up with the NHS Confederation, WCVA and the Association of Directors of Social Services and commissioned some work from the Institute of Public Care. They came to the conclusion, quite quickly, that it was going to be a difficult one to cost. We recognised that. I wasn't involved at the time with discussions with Welsh Government.

[60] But I think this all comes back to the monitoring. It's only just now I'm starting to see lines—if I look at individual authorities' medium-term

financial plans, I can see lines in there now for things like additional autism responsibilities and the When I am Ready initiative, lines for loss of income due to changing the charging regime. So, I'm not sure what discussions took place with the Welsh Government, apart from the fact that we had always challenged the concept of cost-neutrality.

[61] **Mr Street:** I think, certainly from a social services point of view, there was a lot of dialogue with Welsh Government in the context of the content of the Act. The Welsh Government ran a whole series of technical groups on the various Parts of the Act in which directors of social services and their staff were involved and, unsurprisingly, the costs attached to those various parts were always very high on the agenda. I think, again, to be fair to colleagues in Welsh Government, there were particular areas of pressures where there was additional funding: so, responsibilities around the secure estate and the prison service, there is clear evidence of additional money coming out to cover the areas where those costs were incurred.

[62] But if you look at the fundamental concepts behind the social services and well-being Act, they are very much around a cultural shift. It's about us having different conversations with people who use our services and, actually, trying to signpost people away from statutory services to services within their own communities, and a huge focus on a preventative agenda, trying to keep people away from statutory services for as long as is practically possible. To go away and do a calculation around the impact of that is hugely, hugely difficult, and it isn't through lack of trying. Preventative services are not new, we've been running them in social care for many years. One of the main ones we've had is reablement services, so where people come out of a hospital, rather than have, perhaps, a domiciliary care service forever and a day, they have a very intensive piece of care for six weeks to try and get those people independent and actually move them away from statutory services. Those services have been extremely successful, but when we've costed them, what it shows us is actually, yes, people do go away and they do become rehabilitated, but actually a lot of those people then come back to us in 18 months' time, and when they come back to us in 18 months' time their needs are far greater than they were at that initial point, because if nothing else they've become 18 months older and frailer.

[63] Actually, to put a number against that is hugely, hugely challenging. All we can talk about is that there are clear pressures in the system. The pressures around social care and finance are there for everyone to see, but to actually pinpoint that and be able to say, 'Well, that's as a consequence of

this part of the social services and well-being Act', it is nigh-on impossible.

[64] **David Rees:** I appreciate that, and each individual you meet can have different demands and therefore will have different responses and needs. But when Bills come through the committees for looking at, and there are claims of cost-neutrality, we would like to have confidence that those discussions have taken place, and you are supportive of that concept, in one sense, if it affects you. And therefore, to me it seems very heavily here that there's a longer-term benefit being claimed, but there's a short-term cost being applied. How are you addressing those short-term costs, because you're not getting any of that benefit for several years yet, but you're expected to put that cost in? So, how are you managing that scenario?

[65] **Mr Moore:** We've done a number of projects locally where we've actually got an invest-to-save scheme, and we do them through that. So, we put the extra cost in initially. I'm not a professional on social care, so the detail of it is beyond me, but it was around enablement that actually we had to gear up a number of homes to accommodate that change in environment, and we actually put in an invest-to-save, where we actually put money in from an invest-to-save fund that we've got internally, which we use to regenerate the savings in the longer term. That is the way that we dealt with it, and we will deal with other projects like that. There is always an opportunity. If a service department comes forward with an opportunity like that where there's a way of managing that, we will actually manage it in that manner. So, that's the way we progress some of the ideas.

[66] Where they struggle in social care is the demographics and the numbers, and that's beyond—because you may put something in place on the basis of the numbers at the moment, but the numbers may have grown in the year, and that's what slows their budgeting then.

[67] **Mr Street:** I think there has been integrated care funding, what was previously the intermediate care fund. I think that has been helpful with some of the difficulties and pressures we've faced, but the pressures go beyond that, and the point you're making is absolutely valid. The philosophy behind the social services and well-being Act is absolutely fundamental to where we need to go as a country, in managing demand moving forward. There will be a period of time before we see those benefits, and that transition takes time, and it's also expensive, because quite often you're running dual services. You're running the old services that people have relied on at the same time as you're trying to transition to new models of care. As

my colleague said, there are initiatives in individual local authorities, but to be equally blunt, from some directors of social services' point of view, you just have to manage it as another cost pressure out of your revenue budget. There is nowhere to go for that money.

[68] **Simon Thomas:** Jon Rae.

[69] **Mr Rae:** Sorry, I was just going to—Dave's already started to make the point I was going to make. If there isn't a cashable saving from upfront invest-to-save funding, then Dave's absolutely right—there's an opportunity cost, and it's a cut somewhere else.

[70] **David Rees:** Have you started monitoring the impact of the Act—because obviously it's been over a year now since it's been implemented—to look at whether there have been any specific costs because of something that was unforeseen, which may not have been originally included in the costings of the regulatory impact assessment? In those areas, are you having discussions with the Welsh Government to look at (a) how you cover those costs now, for the Act, and (b) what discussions you would want in future for any future Acts that come through?

[71] **Mr Street:** Certainly, again from a social services and well-being Act point of view, there is a monitoring of what's going on out there. People are signposted to alternative services, to preventative services, but, if I'm honest, I think the focus has been on numbers of people, as opposed to amounts of money.

11:45

[72] I'll go back—it was extremely difficult to try and quantify the cost of something that might have happened and the cost of a service someone may have had if a particular service hadn't been in place. I think that is something we're all struggling with.

[73] **Mr Rae:** In the evidence paper that we provided, there are schedules in there—there's a schedule in annex 2 that shows, typically, how some of the additional costs are—. You know, it's not just the social services and well-being Act; it's across a number of pressures—

[74] **Simon Thomas:** But you started to pick out some of the lines that are emerging.

[75] **Mr Rae:** Yes. There is a question here about evaluation after the implementation of the legislation. Sometimes, it may take a couple of years to work through the system after the commencement of certain parts of the Act. This has to be a central, potentially a Welsh Government, function to monitor and evaluate some legislation.

[76] **David Rees:** I appreciate that and I understand the consequences, but I suppose what I'm also trying to work out is: when Bills are presented to the Assembly, you have figures in the RIA and they say these clearly are cost-neutral. When it comes back to you and you're implementing that Act, and meeting the statutory obligations the Act put upon you, you must be therefore looking at the cost implications of that. Yes, you might manage it within budget, but you'll be told off at some point that you've overspent, because I know authorities are being told off because they overspend. How do you make sure that the information you're gathering is put back to Welsh Government so that an assessment can be made of the validity of their costings and then future calculations for any other Bills that might come through can be improved upon?

[77] **Mr Rae:** We might feed back through an early outing of the legislation at one of the scrutiny committees; I think this happened with the welfare of future generations Bill. Otherwise, to be perfectly honest, it tends to be when the RIA's published in the draft Bill. There generally isn't that early engagement and, by the time we do engage, it can be quite an exercise, even if we can identify those costs, to get it done in short order. When did the—. I'm thinking about the ALN Bill. I can't remember—a couple of hundred pages in there; certainly quite a lot. We had our education professionals working on that, but I'm not sure they actually managed to do a thorough and robust job on the regulatory impact assessment and the cost implications of that in a couple of—

[78] **Nick Ramsay:** So, would it be—we were discussing earlier with the stakeholders next door, and Mike Hedges raised it—helpful if you were engaged far earlier in the process, when the initial considerations are going on by them and Welsh Government are giving us figures that we can't verify?

[79] **Mr Rae:** Absolutely, a lot earlier. You'll find there's a lot of willingness on behalf of the professional networks to get involved early. Firstly, it gives them the heads-up so that they can start planning for it. So, Chris here sits on the Society of Welsh Treasurers; they're always very willing to take part,

and ADSS here have a very long tradition, I think, of helping out with legislation. It's just, sometimes, they need to be brought in earlier, as you say, Nick.

[80] **Mr Moore:** There's certainly a lot of keenness from the Society of Welsh Treasurers to engage sooner with these things, especially if it can have an impact and things can be amended as a consequence. Feeding back after the event is, really, too late in that equation, after the regulatory assessment has come out and we're actually implementing it, we're getting on, and I'm getting back, for instance, from social care departments and one or two other departments, the pressures that actually become a corporate pressure. It's not really something that's actually suffered by the department; it's something that actually gets fed back and is managed by the authority. The two areas, really, where there is the most significant impact are education and social care—for different reasons, but they are the biggest pressure points that the authority generally has got to deal with, going forward.

[81] And, just putting it in context, from our authority's point of view, over the last six years or seven years of austerity, highways, for instance, have seen, in terms of the budget, a 30 per cent cut in their budget as a consequence of actually not only managing the austerity, but managing the pressure points that actually have gone in other areas, and social care is one that has actually always had an increase. We've given an increase as an authority, but also, Welsh Government have given an increase. Education's slightly different in the fact that there's been a protection factor there that we've had to manage around, but the consequence in terms of the services then is that one service is going down and the other one is stable but has actually got a very significant increase in demand.

[82] **Simon Thomas:** Eluned Morgan.

[83] **Eluned Morgan:** Thank you. I was going to ask you specifically about the well-being of future generations Bill. You mentioned that there was a kind of early outing where you were allowed to give some input. Were you satisfied with the level at which you were able to put that input? That was an early outing. Was there something beyond that? Can you just talk us through the process and when you were engaged in that?

[84] **Mr Rae:** Yes. I think—. I wasn't myself directly involved in that. It would have been one of my fellow directors. My understanding is that he was able to talk about some of the financial implications of the Bill in committee

back in September 2014. We raised then concerns, I think, about the underestimation in the Bill. Look, don't get me wrong, in the grand scheme of things, I think the cost implications of the well-being of future generations Act are not particularly onerous. But they are onerous nonetheless. In the context of local government absorbing nearly £1 billion-worth of cuts under austerity over an eight, nine year period, and potentially about £300 million from UK Government legislation and increasing workforce costs, the costs of the well-being of future generations are kind of small by comparison. But it's important to get them right. And I think it was right for the auditor general to make an issue of the approach here, because the importance of what the auditor general was saying was that he was basically reflecting, I think, the comments of the WLGA, which were: if these are costs that aren't being funded, there is an opportunity cost to that, and something else is being cut from somewhere else.

[85] So, I think we were happy with that kind of engagement. We were happy—well, not happy, but it was good to see that, when that legislation was scrutinised, the Welsh Government was kind of forced maybe to do a little bit of double-checking on some of its figures. So, everyone was doing their job there, I think.

[86] **Eluned Morgan:** Can I ask you about that? So, you gave your input. You said, 'Actually, you're underestimating here.' Then the Auditor General for Wales came and reinforced your point, really. What happened next? Did it come back to you? Did the Welsh Government come back to you and say, 'Actually, yes, we accept we underestimated this and actually we're going to amend it at Stage 2.' Did any of that go on? I'm just trying to work out the process.

[87] **Mr Rae:** Yes, they certainly—. Yes, they did come back out and we did go back to our local authorities then to get a better assessment of the cost. But I suppose the key thing in your question was: was anything done about what we fed back? I can't recollect, to be perfectly honest, and perhaps that's something I might find out for you and report back with a note. Would that be okay?

[88] **Eluned Morgan:** That would be useful, because, otherwise, all of this is an academic exercise. If things don't change as a result, then—

[89] **Mr Rae:** Yes, absolutely.

[90] **Eluned Morgan:** —consultation is all a bit of a waste of time. So, it would be quite useful if we could get some analysis on that. I just wonder—in relation to the draft local government Bill, you commissioned an assessment of the costs and benefits there. How did that process work? Can you just talk us through that commissioning and what the outcome of that was?

[91] **Mr Rae:** So, you're talking about the ill-fated local government Bill. I think, almost as soon as the Williams commission had reported, local government leaders met, and one of their major concerns, because it was—the academic evidence is replete with examples of how the transitional costs of local government reorganisation have always been under-egged by central Government.

[92] So, leaders were immediately, I think, concerned about the costs of any reorganisation, but, as we know, there are benefits as well, so really we wanted a fair piece of work, an objective piece of work, so we decided, essentially, to commission some work from the Chartered Institute of Public Finance and Accountancy. That was a joint commission—from memory, I think SOLACE, the Society of Local Authority Chief Executives, also wanted to commission that work. So, we commissioned it in 2013, I think. We, essentially, had some—we had the results back in 2014.

[93] So, it was based on—we wanted someone who had done some work on local government reorganisation elsewhere, and CIPFA had a model that they'd applied to some of the business cases that had been worked up in England previously. It was a standard approach they had, so they knew exactly where to make an assessment of the costs, and they had a model of assessing the benefits as well. It was like taking out duplicate posts, there was nothing complicated, but they had a tried-and-tested model and they came up with a range of costs and a range of benefits. As it transpired, when the Welsh Government did their own exercise, really, it was a duplication—I mean, we could have done something together, we could have come up with an agreed position, because actually what transpired was that what the Welsh Government did wasn't far away from the CIPFA exercise.

[94] Looking back on that now, there were issues about that methodology. There are issues, I think, in trying to cost out such a massive—. To work out the costs and benefits of such a massive enterprise of reorganising 22 local authorities into eight or nine new local authorities—you know, each local authority themselves has maybe 1,300 offers to the public. And it's not just about making an assessment of how much you can save in the back office,

because that's what our two approaches were doing, it was about the—. There were three harmonisation problems, I think: there were staff terms and conditions, which was almost impossible to cost; the harmonisation of policies, especially things like charging policies, et cetera, and school funding policies; and the harmonisation of council tax.

[95] We eventually tackled the last problem, of council tax harmonisation, through the Society of Welsh Treasurers, probably in early—I think it was in early 2016, when you did a—. It became clear to us that the Welsh Government didn't have a clear position on council tax harmonisation. There was the potential for the income forgone—if you took it as a present value, it would blow the whole thing out the water, and, as it turned out, it did. Because the net present value calculation that the Welsh Government came up with, if you took one—

[96] **Nick Ramsay:** Say what you think. [*Laughter.*]

12:00

[97] **Mr Rae:** This was just one approach to council tax harmonisation, it didn't necessarily have to be that way. It was about what income would be forgone if you held down the high council taxes and let the low ones catch up, a phenomenon that both my friends here would be familiar with in their areas, because, in Gwent, they've got Blaenau Gwent with a high council tax, Newport with very low council tax, and the same in what was going to be a new Dyfed area. It will take probably about seven to nine years to harmonise. You'd lose council tax income because the high ones can't raise any council tax. I think it was a big issue that was ignored. We didn't really think about it, as the WLGA, in any serious way until very, very late on. And I think the Welsh Government preferred to ignore it and it was an elephant in the room at a time when our relationships with Welsh Government were reaching brand-new lows, so it would have been—we probably didn't want to open arguments on new fronts, but I think this harmonisation problem would eventually out itself.

[98] **Simon Thomas:** Just Mike Hedges on this, without reopening too much of the old—.

[99] **Mike Hedges:** I wrote very extensively on that at the time. You also had, didn't you—? We've had experience of this. We had the Islwyn-Caerphilly merger, where you ended up with a huge increase and a very

unpopular increase in Islwyn. You mentioned rates, or council tax harmonisation. If both authorities had council houses—direct stock—you'd have rent harmonisation as well. The question I've got for you, though, is: when you look at reorganisation you've got to look at a similar model—looking at Cornwall, where a county council, which is 80 per cent of the services, takes on five or six small district councils, which are 20 per cent of the services, and actually continues to run them in much the same way as they did previously, is entirely different, is it not, to merging social services departments, education departments, highways departments, and a whole range of others, which will actually cover the other 80 per cent.

[100] **Mr Rae:** You might argue that that kind of vertical integration that happened in Cornwall was something that happened in the 1996 reorganisation. And, yes, it is a very, very different proposition, I think, the horizontal integration of two councils, and the costs that arise. And, especially, this issue of council tax harmonisation is not an issue. In fact, I've got a feeling that some were relying on the council tax harmonisation issue—not to prolong it much longer—you know, some relied on what was happening in Cornwall as if that would happen here. The district council tax elements are very small. There tends not to be a great differential in them, Mike, as you point out in your Islwyn example. That was not as great as the differential you see in Blaenau Gwent–Newport, Ceredigion–Pembrokeshire.

[101] **Mike Hedges:** The Islwyn–Caerphilly one was substantial because it was against Gwent, which was a low council tax area, and Mid Glamorgan, which was the highest council tax area. So, the county councils were being split and merged as well, and then council tax—. That's why you had such a substantial and incredibly unpopular change, of which—my party suffered at both council and Assembly level because of it.

[102] **Mr Moore:** Generally, you'll find that the council tax differential that's there at the moment, the differential is there because, over a number of years, there has been a different service provision put out in that area because of the geographical nature of the area or because of the expectation of the electorate, et cetera. So, actually, there's a service delivery equalisation that also needs to come with that, which, actually, will be difficult in some of the areas with the geographical nature of them and the expanse that you're talking about.

[103] **Mike Hedges:** Yes, but—sorry, I'll stop after this, but it's also what they inherited from the county councils back in 1995 as well, because county

councils did things in a certain way, so Bridgend would have one and Rhondda would have one, despite Bridgend being twice the size.

[104] **Simon Thomas:** I think we'll leave Mr Hedges's comments just there. [*Laughter.*] Eluned are you happy to—?

[105] **Eluned Morgan:** Yes, thank you.

[106] **Simon Thomas:** Nick Ramsay, do you wish to conclude, please?

[107] **Nick Ramsay:** I think most of mine have been answered.

[108] **Simon Thomas:** Some of them might well have been asked, yes.

[109] **Nick Ramsay:** I'll just fire them off quickly anyway. Do you think the Welsh Government takes reasonable account of the cumulative costs of legislation on local government?

[110] **Mr Rae:** No, I don't. This is one of our points, I think, that, actually, there's no co-ordinated approach. At the outset, Chair, you asked about the whole programme and I think that comes nicely back to the cumulative implications—financial implications—not just of the programme here but of what's happening in London as well. It's not just local government having a whinge about this stuff continually, about medium-term financial planning. There are problems up in Scotland as well. I saw a report the Chartered Institute of Public Finance and Accountancy had done for the Scottish Government on their own or a response to a consultation on the Scottish Government's budget-setting process—there are the same issues there. I don't know what's happened. Over the course of the mid to late 2000s—2007 to 2010—we started to get a grip on medium-term financial planning, there were multi-year settlements, and then austerity arrived and everything was too difficult. And then there was Brexit. I can understand that—a succession of elections, spending review periods going up in smoke—but, really, if we're to get through the next period—.

[111] **Nick Ramsay:** It's weird, isn't it? Because they expect you to follow the future generations legislation, which is all about looking decades down the line, but, at the same time, you're just being thrown things, and, as you say, the cumulative effect isn't really taken into account.

[112] **Mr Rae:** It's not at all. As I said, there's a short conversation in the

finance sub-group about future pressures facing local government, but it's not the same as a common understanding of these pressures. There are political decisions to be made about who funds these pressures, whether it's some other sector, whether it's other cuts in local government. But, really, we could do with a common understanding of these pressures. To an extent, this did happen up until 2011, 2012, because there was a joint expenditure sub-group between Welsh Government officials and local government officers that fed into what then was the consultative forum on finance between local government—

[113] **Nick Ramsay:** That leads into my next question: do any mechanisms exist to allow local government to feed back information to the Welsh Government regarding the cost of legislation? I suppose this is one of those mechanisms.

[114] **Simon Thomas:** If I can just add to that, what happened to that joint group? Why was it brought to an end? What was the thinking behind—?

[115] **Mr Rae:** It's a good question. At the time—. The partnership council was reviewed around about the same time. You know, the partnership council is a forum that has a statutory basis. Whilst the partnership council was reviewed and the upshot of that was a wider public service membership of that partnership council, it seemed that the consultative forum on finance just disappeared and along with it the expenditure sub-group. If you were a cynic, you might say, 'Well, who'd want a difficult conversation about money in a period like that?' It might be part of the answer. We were certainly successful in re-establishing the finance sub-group in, I think, 2012 or 2013.

[116] **Nick Ramsay:** So, these groups work far better when the times are good. But, when, financially, you need them most—

[117] **Mr Rae:** It certainly seems so. Perhaps it was just an accident of rising public funding and rising public spending at the time we had an expenditure sub-group. I'm not saying that every pressure got funded, because, to some extent—and I think this is what civil servants found difficult—it was a shopping list of things from local government. But there was a—I think, behind it, there was a common understanding; there was a more detailed understanding of some of the pressures coming up. It did lead to—. You know, things like, when the foundation phase came in, that was something that was initially estimated to have a very low cost, something like—I can't

remember—£8 million. It turned out it was nearly—. We now spend about £100 million on it. That process was very good at just establishing that common understanding.

[118] **Nick Ramsay:** That leads me into my next question, which was: in your written evidence you say that it's important that there's an independent post-legislation view of the costs—how important is it that that review is independent?

[119] **Mr Rae:** I think when we said 'independent', it could be—I mean, that could be civil servants doing that, it could be the—I've forgotten the name of it; the KAS team, knowledge and analytical services. They're all professionals, who have—. I think the framework for the way they work means that they have a degree of objectivity.

[120] **Simon Thomas:** So, what you mean is independence of the actual delivery teams, as it were.

[121] **Mr Rae:** Yes.

[122] **Simon Thomas:** Independent of the social services day-to-day stuff—

[123] **Mr Rae:** Independent from the policy team.

[124] **Simon Thomas:** —as an example.

[125] **Nick Ramsay:** Clearly, in that example you stated, the foundation phase, it cost 10 times more than originally anticipated.

[126] **Mr Rae:** With increased pressures over the years, it's ended up—you know, what gets spent is a lot more. But, at the time, there was a real concern about the way it was being introduced.

[127] **Mr Moore:** Sorry, I wouldn't have said it was—. It's more about the independent review. We call it that but it's more a joint review, that, actually, the outcome of the review is agreed with local government and Welsh Government together, so that, actually, the conclusion is that everyone's buying into it, more than anything, as opposed to actually anything sort of—

[128] **Simon Thomas:** You may not be happy with it, but at least you agree what the figures are.

[129] **Mr Moore:** Yes. And going back to Nick's original point regarding the future generations Bill, the logic of where we are at the moment—. And this is again down to engagement and having a joint view. I accept on the settlement that actually you can't be clear on the figures at the moment, because you're waiting for what happens in Westminster, in terms of the consequences of the election, but, actually, it would be better if we in local government were going out with the same view that Welsh Government were in terms of the indications. The future generations Act is there, telling us to plan for the future. I, for instance, have got to put a medium-term financial plan out in terms of my outlook before the end of July. I'm going to have to guess what, actually, the settlement's going to be for, Nick, the next three years, as part of my proposal. I'd be far more comfortable in saying, 'Well, this is a joint view'. It may not be the right view, but it would be a joint view, that, actually we're all actually understanding together how it's been put together, as opposed to me going out on a slightly different view to one of my other colleagues across Wales. Because we're statutorily bound to actually put that view out, to start planning at this point, whilst accepting, actually, the first sight of any information I'm going to get from Welsh Government, in terms of realistic, is probably October/November time. But that's no good to a medium-term plan within the authority; we've got to start building the picture now. So, it very much links in, but all it is is actually engagement and having that joint opinion or view that, actually—we're not holding anyone to it, but actually it's the consensus of where we stand at the moment.

[130] **Simon Thomas:** With that note of consensus, it might be a good place to end this session. [*Laughter.*] So, thank you very much for your evidence. We'll send a transcript just to check, and I think we asked for one potential piece of extra information—

[131] **Mr Rae:** Any notes on the process. Absolutely, yes.

[132] **Simon Thomas:** —around the future generations Act. And, with that,

[133] diolch yn fawr iawn i chi. thank you very much.

[134] **Mr Rae:** Thank you.

[135] **Simon Thomas:** And just for members of the committee, our next meeting is on the 29th.

21/06/2017

[136] 29 Mehefin, so dydd lau nesaf. 29 June, next Thursday. Thank you
Ocê. Diolch yn fawr iawn i chi. very much.

Daeth y cyfarfod i ben am 12:13
The meeting ended at 12:13.