

Julie James AC/AM
Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref JJ/06736/19

Janet Finch-Saunders AM,
Chair,
Petitions Committee.

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3 December 2019

Dear Janet,

Thank you for your letter of 17 October to Rebecca Evans AM, Minister for Finance & Trefnydd and me regarding a petition received from UNISON Neath Port Talbot, calling for earlier notification of council budgets. I am replying on behalf of both of us, given my responsibility for local government.

I understand the need for certainty on providing local authorities with details of their funding as early as possible. It is always the Welsh Government's intention to publish the Local Government Settlement as soon as is possible within the constraints of the UK and Welsh Government's Budget timetables. Our timetable of course must also ensure appropriate time for scrutiny through the Assembly.

The Minister for Finance & Trefnydd updated Members in September on the implications of the UK Government's Spending Round 2019 for Wales and of her plans to bring forward the publication of the Welsh Government Draft Budget for 2020-21 to 19 November. My intention was to announce the provisional local government settlement on 26 November, a week after the planned Welsh Government Draft Budget. I advised local authority elected representatives of the proposed timetable during the meeting of the Finance Sub Group of the Partnership Council for Wales meeting on 25 September. These plans have of course now been overtaken by the announcement by the UK Government to hold a general election, and consequently we are now in the pre-election period.

It is, always our ambition to publish our plans before Christmas to support delivery partners and stakeholders with their forward financial planning and on an exceptional basis we will now publish the Welsh Government's draft Budget 2020-21 on 16 December in recess. The Minister for Finance & Trefnydd will then make a statement on 7 January, the earliest possible date, in plenary on the draft Budget. Given the implications of our budget process for local government, we will publish the provisional local government settlement for 2020-21 on the same day as the draft Budget in order to enable local authorities to engage with their communities and undertake their own democratic scrutiny before setting their budgets and council tax rates before 11 March.

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

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

As a consequence, following scrutiny of our plans by the National Assembly Committees, the debate on the draft Budget will be on 4 February. We will then publish the final Budget 2020-21 and the final local government settlement for 2020-21 on 25 February, with the debates in plenary on 3 March and 4 March respectively.

I can assure you we are working across the Government to ensure that the wider picture on local government funding from Welsh Government is as clear as possible as early as possible.

When I met with the Finance Sub Group and the Partnership Council earlier this month, we had open and honest conversations around local government budget pressures and priorities. Leaders made it quite clear that, after a number of years of real terms reductions in funding settlements, they have cut back services as much as possible and have some very real and very difficult decisions to make about which services they may have to stop delivering in the future. I am also aware that the Minister for Finance and Trefnydd addressed UNISON Cymru's policy weekend on 18 October to set out the Welsh Government's approach to the Budget process.

The Welsh Government recognises the pressures local authorities are facing and will continue to do all that we can to shield them from the worst effects of austerity and provide them with the best possible settlement that circumstances allow. It would be remiss of me however not to reiterate what the Government has made clear in the Senedd many times. Behind the headlines, this one year Spending Round does not "turn the page on austerity" as the Chancellor claimed. The reality is that the Welsh Government's budget in 2020-21 will still be 2% lower, or £300m less in real terms, than in 2010-11 and we will face tough choices over coming weeks. The additional funding does not even return our spending power to the levels of a decade ago.

It is against that backdrop that our current budget decisions are being made.

Yours sincerely



Julie James AC/AM

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