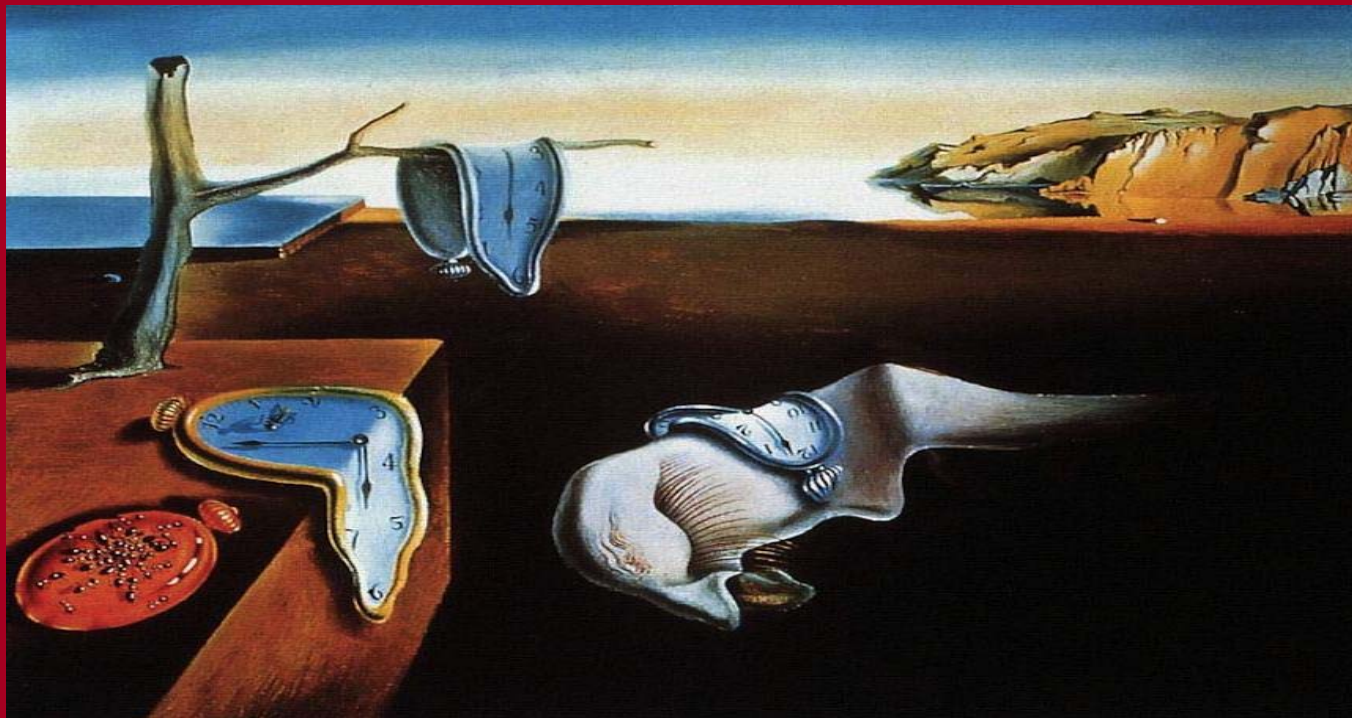


Cymdeithas Llywodraeth Leol Cymru  
Welsh Local Government Association



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**Local Government in Wales –  
We have entered our Surrealist Moment.**

Steve Thomas CBE - WLGA

@WelshLGA

[www.wlga.wales](http://www.wlga.wales)

# Our First Minister Carwyn Jones departs and so does every one else!



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Local government reorganisation in Wales enters the Guinness Book of World Records for "Pissing about for a decade".



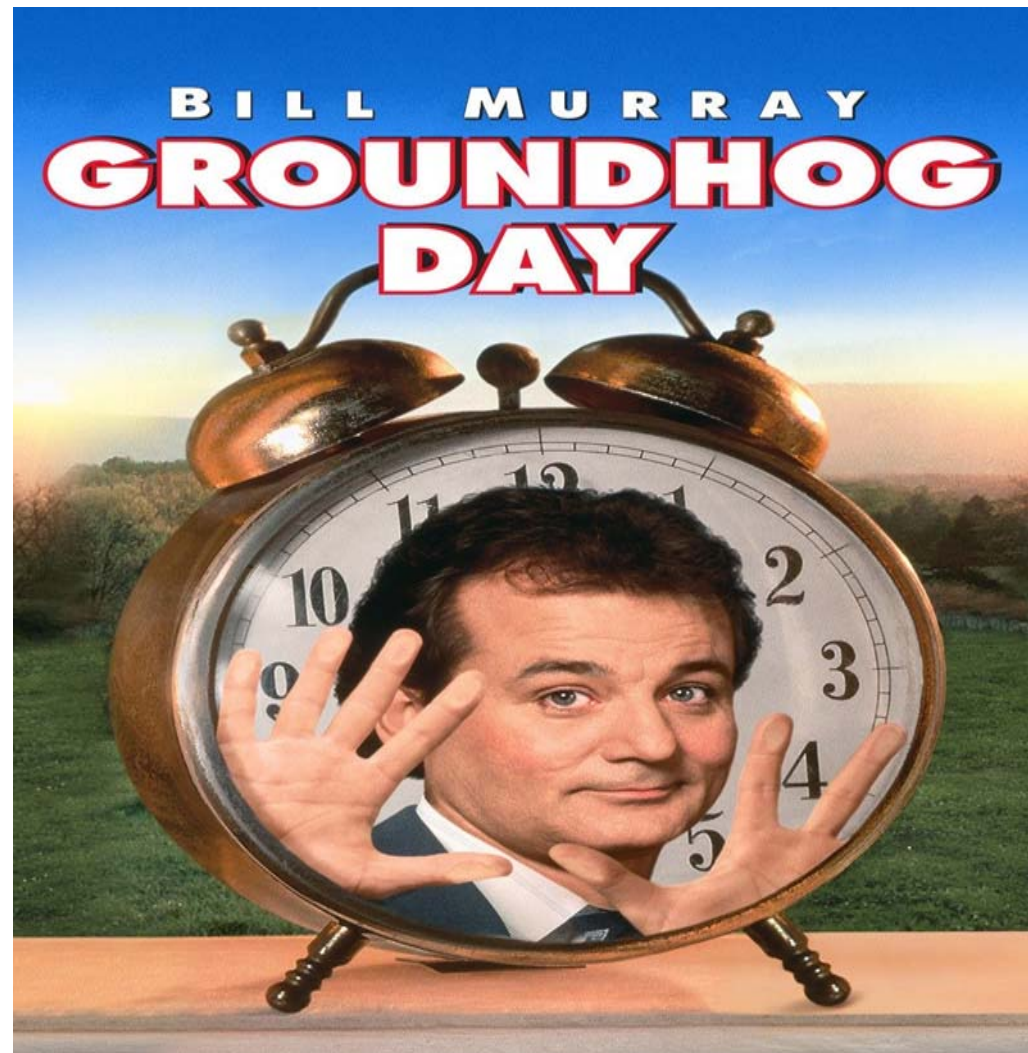
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~~Plan A~~

~~Plan B~~

~~Plan C~~

Plan D



**“The most dangerous thing in a combat zone is a General with a map”**



*Making the Connections*: Delivering Better Services for Wales, October 2004  
5 year action plan

*Delivering the Connections*: From Vision to Action, June 2005

Making the Connections. The Report Beyond Boundaries: Citizen-centred Public Services (*“the Beecham Report”*), July 2006

The Welsh Assembly Government’s Response to the Beecham Report, *Making the Connections – Delivering Beyond Boundaries*: Transforming Public Services in Wales, was published in November 2006.

*Local, Regional, National: What services are best delivered where? (the ‘Simpson review’)* March 2011

*Williams Report - Commission on Public Services Governance and Delivery* (April 2013- January 2014)

White Paper *“Reforming Local Government”* (July 2014)

Invitation for *voluntary merger proposals* (September 2014)

White Paper *Reforming Local Government* (February 2015)

Welsh Government *Future Configuration of Local Government in Wales Statement* (June 2015)

*Draft Local Government Bill* (November 2015)

*White Paper Reforming Local Government* (January 2017)

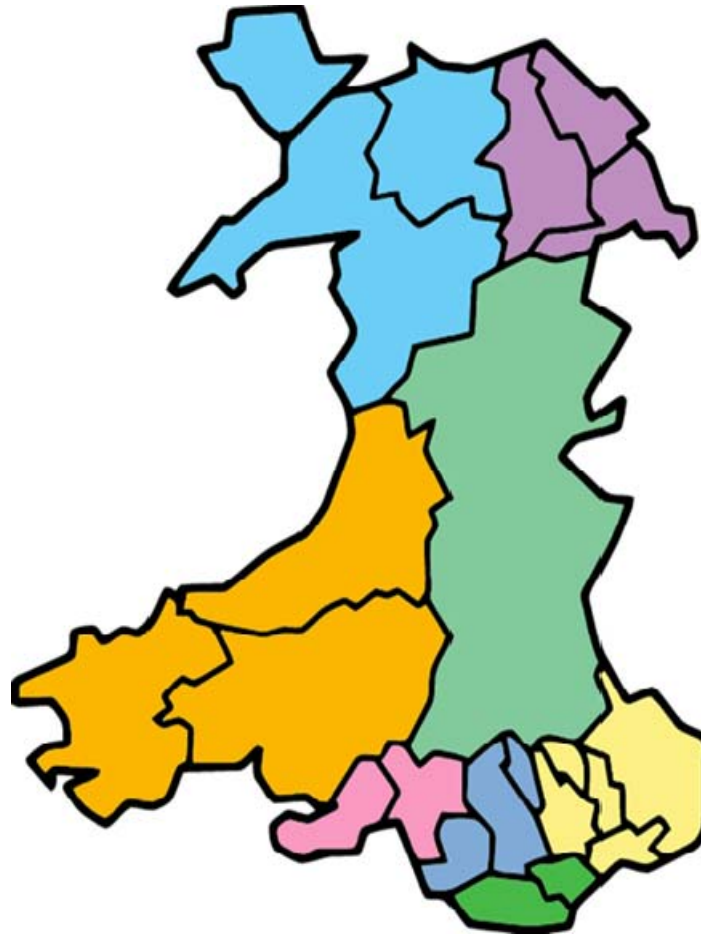
# LGR in Wales - "Pick a number, any number"



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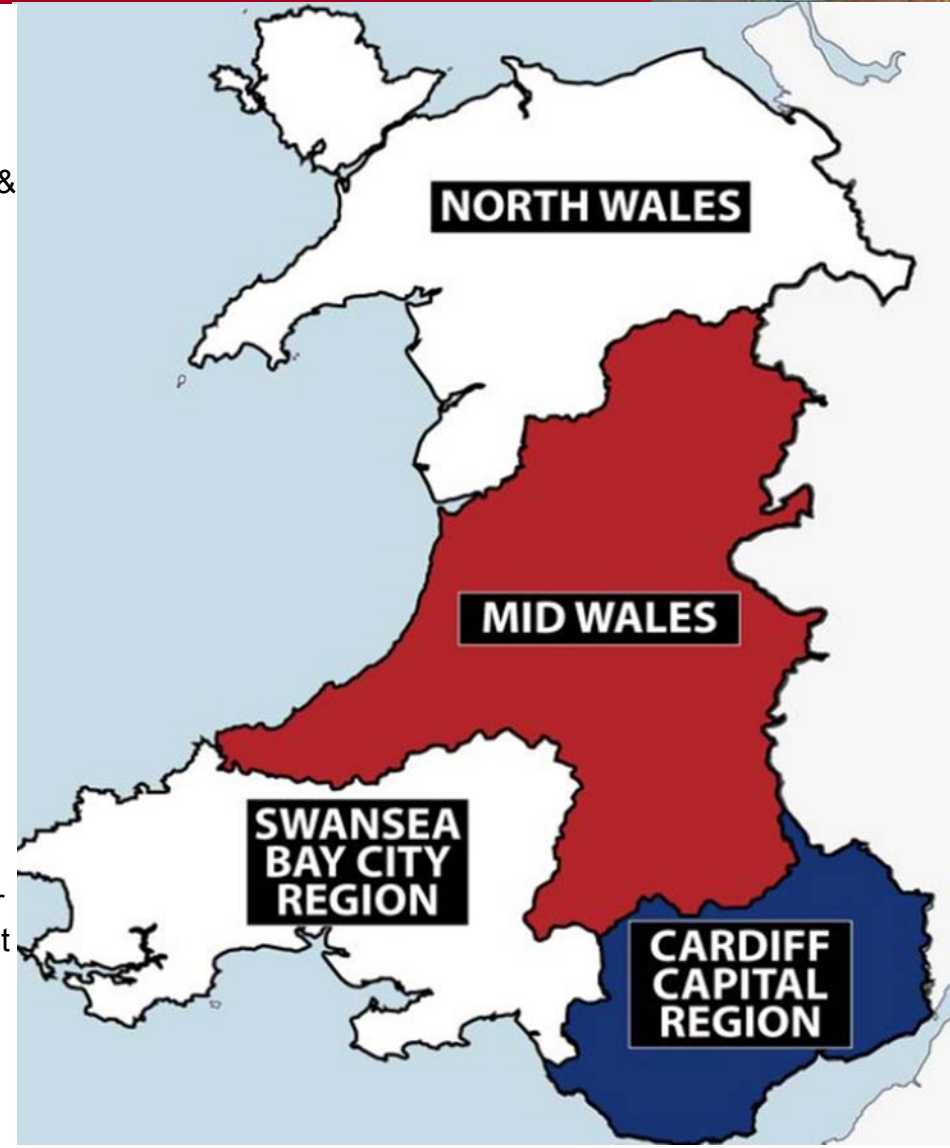
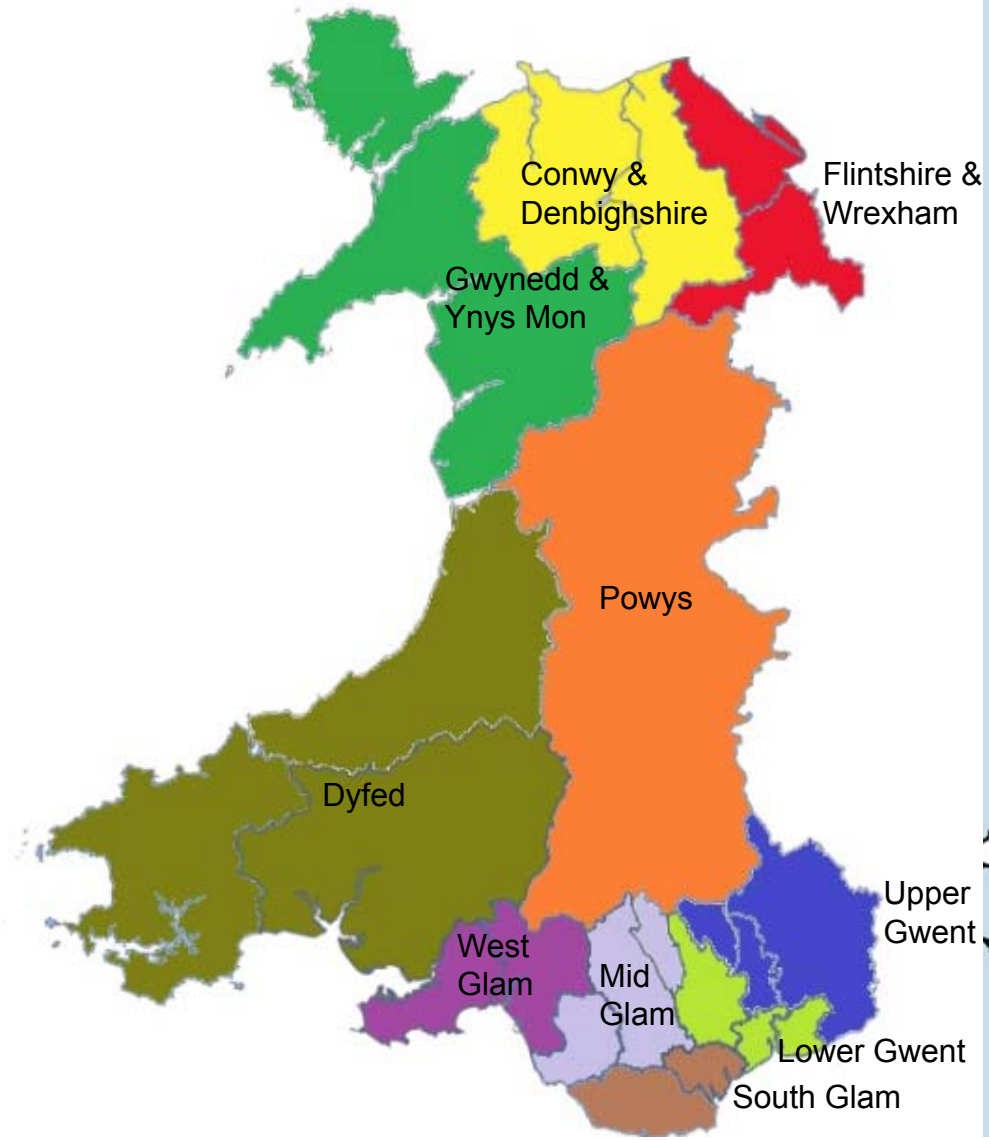
**Sir Paul Williams** argued for 10,11 or 12 Councils in Wales



**Leighton Andrews** raised 6 as possibility but settled on 8 (The old counties)



# The Heinz 57 Varieties of Reorganisation – Green Paper & CBI



# Single merger programme – What next?



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# Local government in the driving seat



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A single comprehensive merger programme completely rejected and opposed by the WLGA leadership especially the wonderful Councillor Debbie Wilcox.

Currently no support across the Welsh Assembly

New forum chaired Derek Vaughan MEP (former WLGA leader) to take forward examination of reform

Voluntary mergers still an option. Some thoughts on national shared services??

What will be the view of the new First Minister and what will be the view of WLGA leaders?

Does it matter? The real challenge is austerity.



# Councils developing their own regional structures



**Austerity Deniers - Some think that you are a bunch of "whingers"!**



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There was no such thing as austerity – Britain still isn't living within its means

**SIMON HEFFER**



24 JUNE 2017 • 6:00PM

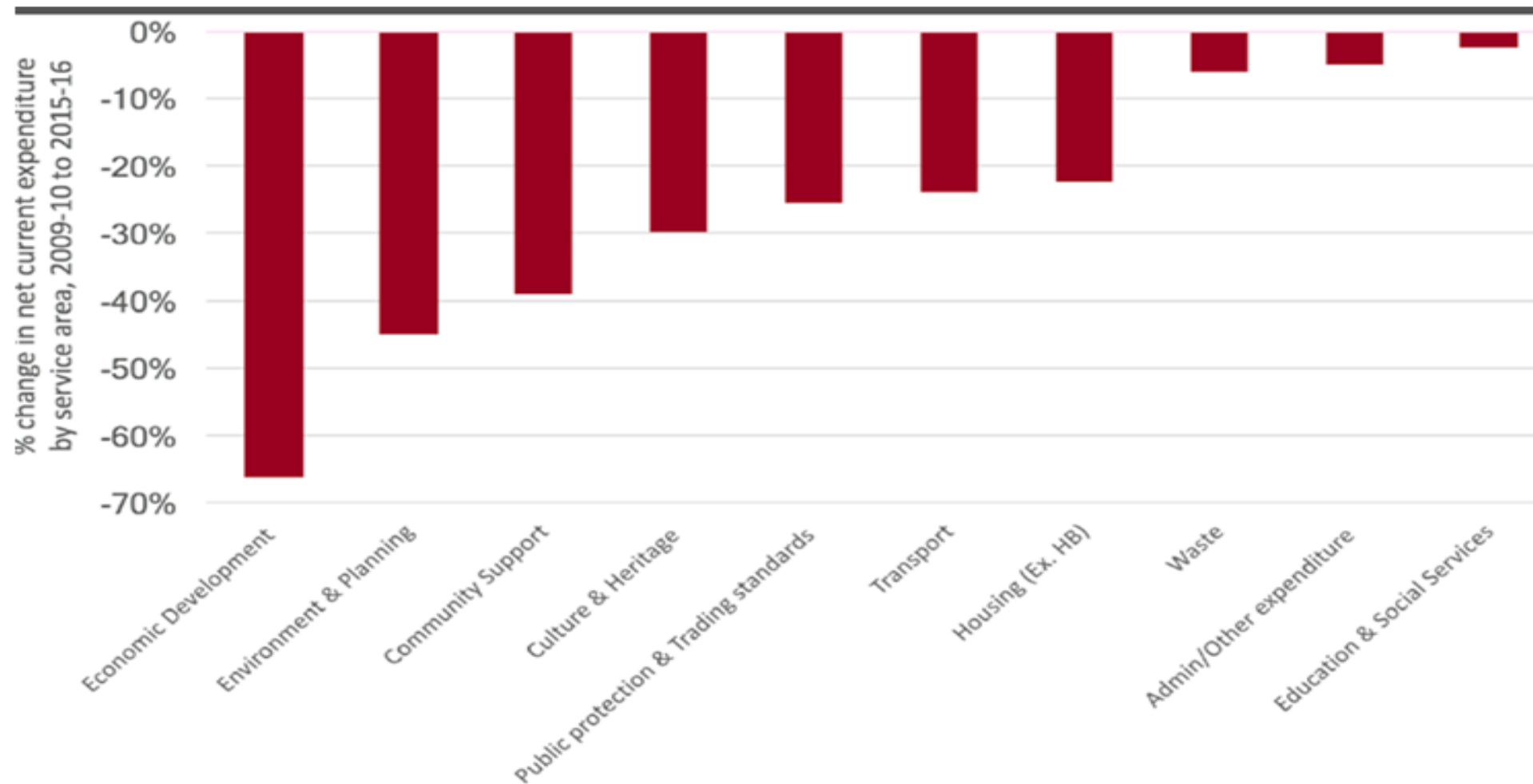
# Cleaner, greener, smarter and cut to ribbons!



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## Change in Net Current Expenditure by Service Area 2009-2016

Source - Wales 2025

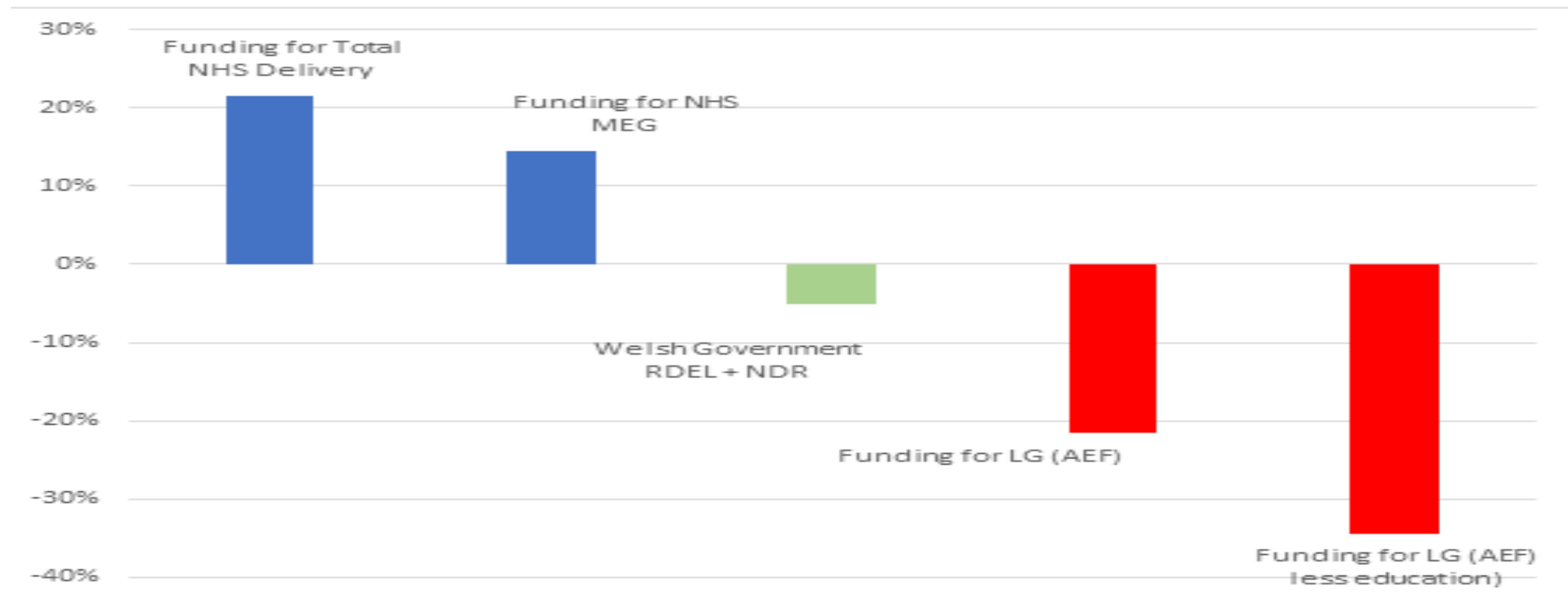




# Welsh Local Government Cuts – The wider context



## Funding change since 2009-10



Total NHS delivery



NHS Main Expenditure Group (MEG)



WG Main Expenditure Group (MEG)



LG Aggregate External Finance (AEF)



LG Aggregate External Finance (AEF) less Education

# What does it mean for the public realm? The decline of community facilities.



Isle of Anglesey Council

Number of public toilets

2010: 38

2018: 16

Reduction of 22



Powys County Council

Number of public toilets

2010: 48

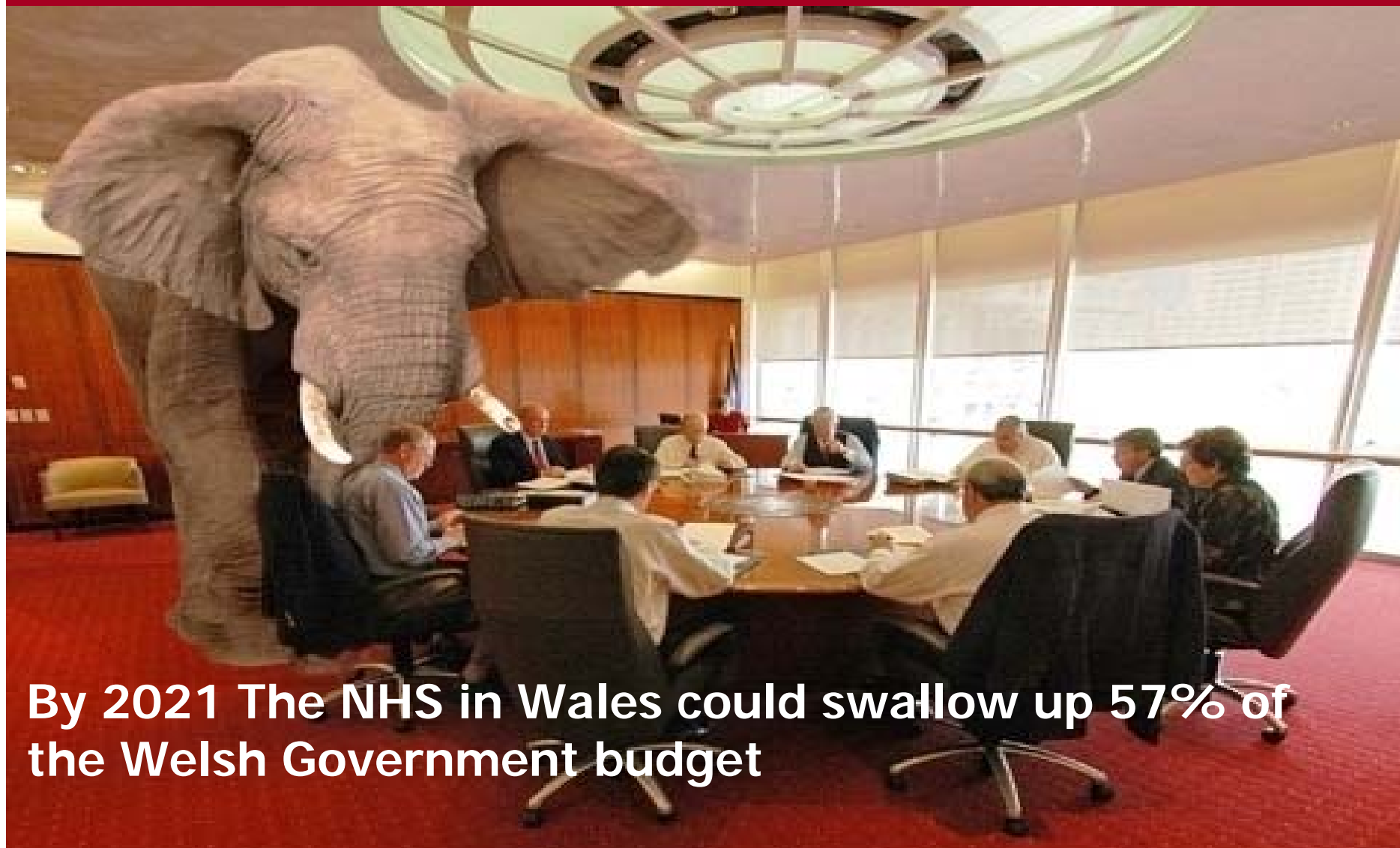
2018: 2

Reduction of 46

# Return of our old friend the "Elephant in the room"



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By 2021 The NHS in Wales could swallow up 57% of  
the Welsh Government budget



# “Houston we may have a problem”



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For Wales, the Health Foundation has projected that NHS funding needs to increase by 2.9% a year through the 2020s to meet cost and demand pressures, assuming that it makes 1 per cent new efficiency savings each year. **Spending on local authority adult social care would need to increase by 4% a year in real terms.**



In hard cash Local authority adult social care expenditure (older and younger adults) would need to increase by about 75% by 2030-31 (an increase of around £890 million, from £1,180m to over £2,000m).

# Happily there are solutions and they can be found in our wallets!



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- Professor Gerry Hotham's proposed social care levy in Wales, creating a funded contributory system for older people's care.
- Changing the devolved Welsh rate of income tax by 1p across each band, for example, could lead to an increase in the Welsh resource budget of around £200 million a year.
- Teresa May has announced/promised £20bn for the NHS. This will lead to a Barnett consequential of about £1.4bn. Unlike England, in Wales social care will get a slice of this.

## *The Boris Brexit Bailout*



# The inevitable Brexit Slide – toxicity and torpor



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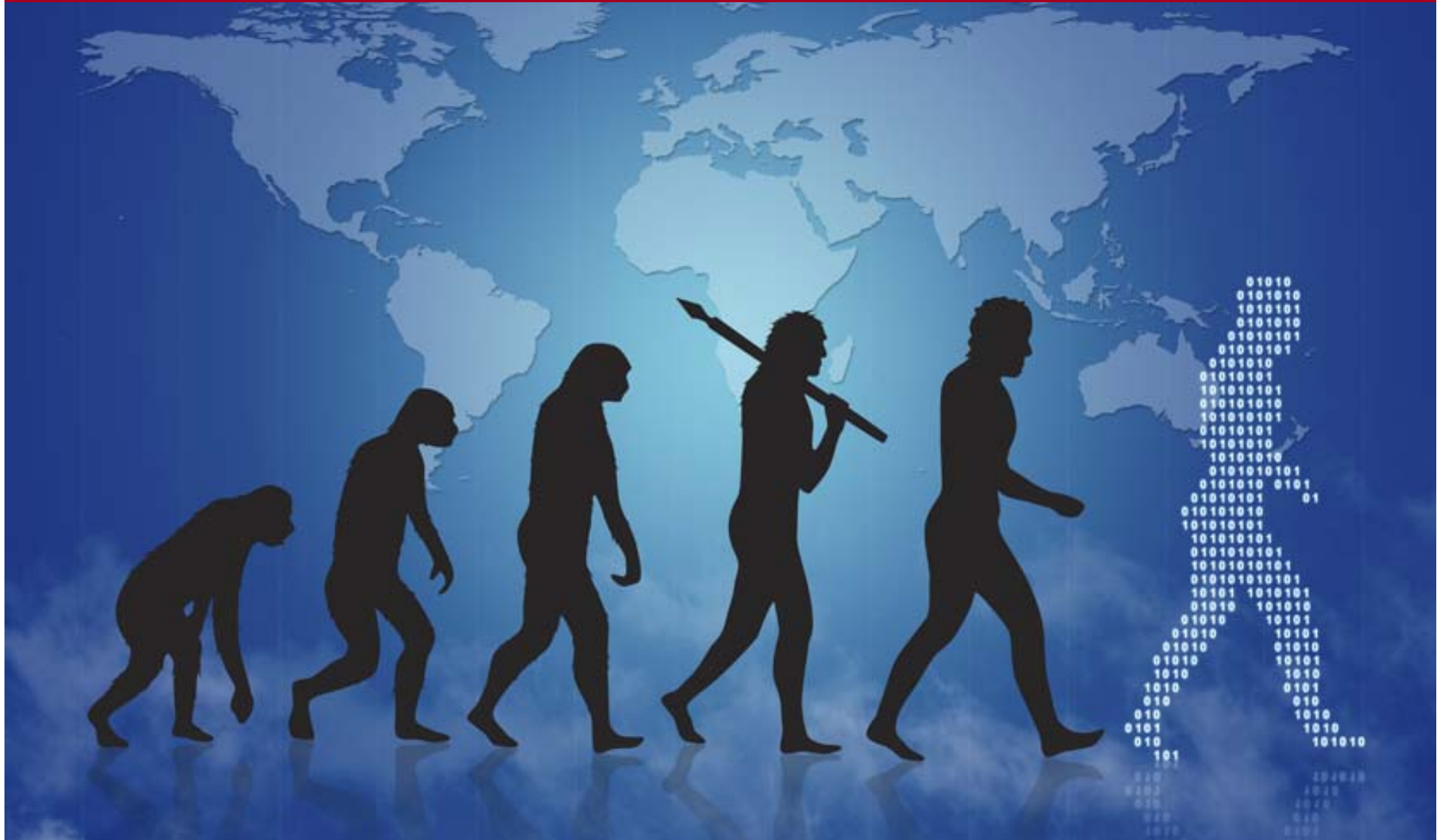
- Wales in receipt of structural funding for the Valleys and West Wales up to 2020. Of the £1.8bn committed. Rural Wales badly affected. .
- Money needs to go to the local level
- What will the shape of a new Shared Prosperity fund look like?



# Digitalisation - the next stage in service evolution



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# The sustainability of Councils – where are you?



## WHATS YOUR OPERATING MODEL?

- **Adaptive innovation:** organisations creatively redefine their role and are able actively to affect their operating environment, working in close partnership with others and looking for new opportunities
- **Running to stand still:** organisations are led and managed well and can see a positive future, provided that they can keep up the current pace and that there are no major shocks
- **Nostril above the waterline:** organisations are only able to act with a short-term view, their existence is hand to mouth and even a small external change might seriously challenge their viability
- **Wither on the vine:** organisations have moved from action to reaction. Their finances and capacity are not sufficient to the task and they are retreating into statutory services run at the minimum levels or handing back the keys

# Conclusions



- Despite the scale of cuts councils doing great work – a force for good
- Time to end austerity
- Local authority sustainability over time
- Local authority role in promoting economic transformation
- Need to make a clear case for preventative services from public toilets to parks
- While the commentariat has entrenched itself within its respective Remain and Leave camps, the public has been getting on with their lives, dealing with the everyday concerns that make things that little bit more difficult. There will be a reckoning at some point on the decline of the public realm and what it means.