

DRAFT

Alun Davies AM
Cabinet Secretary for Local Government and Public Services
Welsh Government
5th Floor
Tŷ Hywel
Cardiff Bay
CF99 1NA

Dear Cabinet Secretary,

I write formally on behalf of Neath Port Talbot County Borough Council in response to the Welsh Government's Green Paper on Local Government Reorganisation, published on 20 March 2018. This letter reflects a discussion in both the Council's Cabinet and Full Council during May. What follows also has the support of the two Opposition Groups on the Council – Plaid Cymru and the Independents.

As I have pointed out previously, this Council does not believe that a compelling case has been made for a single comprehensive merger programme (Option 3). Members here were not convinced that the evidence base provided in the Green Paper was sufficiently robust or coherent and, in particular, there remain too many unanswered questions in relation to the financial implications of what is proposed (under any of the options) and other matters. I return to these issues below.

We are particularly unconvinced by the assertion that fewer/larger Councils would necessarily be better/stronger either in terms of financial resilience or the quality of service delivery. It is largely unsupported by the evidence in Wales and elsewhere. In fact the reverse is true in some places – notably Northamptonshire at present.

However, Members here are equally sceptical by the continuing emphasis on regional working – mandatory or otherwise. I shall not rehearse all the arguments here; but suffice to say that twelve years on from the Beecham Report, this agenda has produced very minimal benefits (as the Green Paper itself implies) and has certainly been inadequate as any sort of response to austerity.

Turning to the other options in the Green Paper, we are not convinced by the concept of voluntary mergers either (Option 1). As you know, it has been tried before and simply didn't work. We see every likelihood of a repeat performance or a real shortage of volunteers. However, whilst not in favour of pursuing a merger with the City and County of Swansea at this stage (and by 2022), we see some merit in the proposals contained within Option 2. Our major issue is timing. We are doubtful whether mergers are practicably achievable by 2022. For example, this would require the Local Democracy and Boundary Commission for Wales to completely redraw ward boundaries. On past experience small scale exercises of this nature have taken 18 months to two years to complete and we doubt whether the Commission has the capacity to complete a far more extensive exercise in the timescale required. However, we accept that other authorities may be in a different position and if they wish to pursue merger options, we do not believe that they should not be denied that opportunity.

I should also emphasise that if this Council was ever to pursue a merger we would require far greater clarity on a number of key issues and we believe that a minimum of three tests need to be applied:

- First, far greater clarity on the key financial issues. The Green Paper does not contain an updated Regulatory Impact Assessment and the estimates of the cost and savings involved are very wide indeed and dated. Equally, it is unclear who is to meet these costs? Moreover, there are a range of other issues including Council Tax harmonisation, the local government funding formula and other issues identified in the Green Paper (e.g. staffing, pay, etc.) which are only listed rather than addressed in substance;
- Second, there needs to be greater realism in terms of the capacity of local government and other partners to undertake complex transformation programmes more or less simultaneously. In our case, this could involve a restructuring of a local health board, local government reorganisation and delivery of Health and Social Care integration following the Parliamentary Review, all at the same time or in quick succession. This won't work in our view; and
- Third, we believe that there would need to be an absolutely unequivocal political commitment from all parties to any merger proposals (including the Welsh Government) before such a journey could commence or the scope for wasted effort and resource

would be almost unlimited. Those conditions do not currently exist.

We are more than willing to continue with the dialogue – directly and/or through the WLGA; but after many years of rather circular debate, I think there needs to be a very clear political direction set or the tone of the debate is unlikely to change.

Yours sincerely,

Councillor Rob Jones
Leader of the Council