



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: ATISN 12070

13 March 2018

Dear ,

ATISN 12070: Settlement Funding Formula Equality Impact Assessments

Thank you for your request which I received on Monday 13 February 2018. In response to our request, you provided further clarification on 27 February. You asked about:

Settlement Funding Formula Equality Impact Assessments:

- Please confirm what equality impact assessments have been carried out by the Welsh Government in relation to the Standard Spending Assessments and/or Indicator Based Assessments it uses to determine funding for local authorities?
- Please confirm what equality impact assessments have been carried out by the Welsh Government in relation to the way in which it determines the funding need of local authorities in relation to education ie the funding distribution formula? (Which your letter confirms relates mainly to pupil numbers, deprivation and sparsity)
- In relation to A and B, please provide copies of any relevant equality impact assessments over the last 5 years
- Please provide evidence, if any exists, that the Welsh Government has considered the particular impact of the education distribution formula on children with particular protected characteristics (e.g. disabilities or English as a second language).

The Equality Act 2010 places a duty on Welsh Government to have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, as well as to advance equality of opportunity and to foster good relations between people who share a protected characteristic and those who do not – more specifically, to assess potential impacts on equality in our decision making.

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.

Cathays Park/Parc Cathays
Cardiff/Caerdydd
CF10 3NQ

Canolfan Cyswllt Cyntaf / First Point of Contact Centre
0300 0604400

The first point to make is that Standard Spending Assessments and Indicator Based Assessments are notional figures, calculated to inform the determining of the funding formula used to allocate the local government settlement. These assessments are not spending targets. It is for each authority to decide how the funding it receives through the settlement is spent on the range of responsibilities funded through the settlement. In conducting decisions on how the funding is spent, each authority should consider the general equality duties set out in the Equality Act 2010, and also the specific equality duties where applicable.

Decisions on the overall funding provided through the local government settlement are part of the wider Welsh Government budget setting process and are therefore reflected in equality impact assessments published alongside the budget.

Turning to the funding formula, the Standard Spending Assessments and/or Indicator Based Assessments used to determine the funding formula for local government settlement are developed in full consultation with local government. Any issues relating to the impact of formula developments on groupings with particular characteristics are part of those considerations.

These discussions take place through the Distribution Sub Group (DSG) whose members include senior local government officers as well as independent experts from across Wales in order to ensure there is no bias for or against any particular groups or authorities. Full details on the formula used in the annual settlement are published on the Welsh Government website at the attached link.

<http://gov.wales/docs/dsijlg/publications/localgov/170328-green-book-en-v1.pdf>

The Finance Sub Group (FSG) of the Local Government Partnership Council for Wales (PCfW) considers and agrees any changes to the formula and the formula to be used in the annual settlement, as recommended by DSG. The Local Government representatives on the Finance Sub Group are collectively representing all 22 local authorities in Wales, including the Vale of Glamorgan. FSG provides local government in Wales with the opportunity to raise any concerns regarding the impact of changes proposed to the formula.

Papers, agendas and minutes of the Distribution Sub Group and minutes of the Finance Sub Group meetings are published on the Welsh Government website at the following link:

<http://gov.wales/topics/localgovernment/finandfunding/?lang=en>

In addition, the publication of the provisional local government settlement each year initiates a statutory consultation on the impact of the distribution of the funding using the most up to date version of the formula. These consultation responses provide the opportunity for any representations on the impact on any groups with particular characteristics. Attached are the summaries of responses for the past five years.

You may also be interested in The Vale of Glamorgan Council's response to the 2018-19 provisional settlement which was received after the deadline (attached).

While these processes allow for consideration of the impact on any groups with protected characteristics, as mentioned previously, the local government settlement is

unhypothecated, and it is for each authority to decide how the funding it receives through the settlement is spent.

The letter to each local authority announcing the settlement reminds the authority of its requirement to comply with the general equality duties set out in the Equality Act 2010, and also the specific equality duties where applicable. The letter for the latest final settlement can be found at the following link:

<http://gov.wales/docs/dsijlg/publications/localgov/171220-final-settlement-letter-en.pdf>

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at:

Information Rights Unit,
Welsh Government,
Cathays Park,
Cardiff,
CF10 3NQ

or Email: FreedomOfInformationOfficer@gov.wales

Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at: Information Commissioner's Office,
Wycliffe House,
Water Lane,
Wilmslow,
Cheshire,
SK9 5AF.

However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Yours sincerely,