

**Agenda Item:** 5 (d)

**Summary:** **Panel C Recommendations on the Finance and Estates Working Group Second Implementation Paper**

**Action Required:** **To note and agree Policy Development Panel C's recommendations to hand further issues to RTCG for implementation.**

### **Background and Recommendations**

Panel C approved an initial Finance and Estates Working Group (FEWG) implementation paper and submitted this to the SLB meeting on the 22 May 2009. This paper was accepted by SLB and was passed to the RTCG at its meeting on 11 June 2009.

A second implementation paper, endorsed by the Panel at its meeting on 22 June 2009, is now attached for consideration. The Panel agrees with the recommendation of the FEWG that these issues are ready for implementation and should now pass to the RTCG.

### **Data Collection**

One of the issues in the paper is a proposed best practice model for the collection of data to aid the transfer of information between councils and from central government and others (where appropriate). The FEWG has produced a series of proforma which the Panel suggests the RTCG could adopt if it was considered useful.

The Panel recommends that the policy to use a standard model of data collection is adopted and supports the approach which the FEWG has developed. However it is acknowledged that similar work may have already been undertaken by individual councils or transition committees. The Panel would therefore suggest that this is drawn together and a consistent approach is established to aid a smooth reorganisation process.

**Policy Development Panel C  
June 2009**

**POLICY DEVELOPMENT PANEL C**

**PDP C 22/2009**

**AGENDA ITEM: 6b**

**SUMMARY: Finance and Estates Working Group  
Second Implementation Recommendations Paper**

**ACTION REQUIRED: To note and agree the Finance and Estates Working  
Group Recommendations**

## **BACKGROUND**

This paper follows the initial implementation paper from the Finance and Estates Working Group (FEWG) that was brought to the Panel at the 14 May meeting. The issues in this paper have been considered in depth by the FEWG.

## **IMPLEMENTATION**

Background on the issues recommended to move to implementation is outlined below.

### **1. Rate Support Grant**

The aim of this exercise was to consider the impact to councils of the redefined boundaries on the rate support grant. The FEWG May update report provided the Panel with details on this issue.

Two tables are attached (Annex A(i) and Annex A(ii)) that illustrate this impact. It is the view of the FEWG that this demonstrates that based on available data the formulae is robust.

Recommendation: It is recommended by the FEWG that for illustrative purposes further modelling should be undertaken as more relevant data becomes available on the 11 council structure nearer to 2011. The FEWG suggest that this issue should move to the RTCG for consideration and remodelling when appropriate.

## **2. Data Collection**

It was the view of local government officials that a standard approach to data collection would aid a smooth transfer. The data proforma spreadsheet (Annex B(i) and Annex B(ii)) is proposed as a best practice model to be used to record data on assets and functions transferring from central government to local government, between local government and from other bodies to local government.

Recommendation: The FEWG recommend that this data collection proforma should be passed to the RTCG for consideration before being issued to the Transition Committees and Transition Management Teams for completion when appropriate. The FEWG would highlight that the commitment to completing the proforma and the timing of such will be crucial to the success of this exercise.

## **3. Independent Validation of Funds**

The objective of this exercise was to consider a method of independent validation of the funds being reassigned from central government, for those functions transferring. However at the last meeting of the FEWG it was agreed that it is too early a stage to consider any validation exercise as the final decisions on the funding to be transfer is yet to be taken.

Recommendation: The FEWG recommends that the RTCG is asked to consider this issue and ensure that action is taken at the appropriate time once the information is available from the transferring function departments.

The Panel may like to note that following their recommendations to the SLB, the RTCG have been tasked with forming a Finance and Estates Implementation Group that will avail of the expertise of the Finance and Estates Working Group.

**JOINT SECRETARIAT**  
**June 2009**