



1 September 2017

Dear Clerk to the Council,

CLUSTERING: FUNDING TO SUPPORT THE INITIAL SETTING UP OF JOINT ARRANGEMENTS.

The Welsh Government recognises the potential benefits of the sector's existing interest in exploring clustering. The potential benefits identified by the sector include being able to address area wide issues, collaboration on specific areas, and achieve economies of scale. The Cabinet Secretary for Finance and Local Government made a commitment through the "agenda for action" announced at the One Voice Wales conference in October 2016 to facilitate the creation of clusters, where there was sector interest to do so, making some modest funding available *to support the initial setting up of joint arrangements*.

A modest budget of £20K is available for **2017-18 only**, to provide opportunity for a small number of Community and Town Councils who are already considering options around clustering to take this thinking forward into practical application.

The Welsh Government contribution of support for individual proposals will be capped at £5k as a one-off grant in order to be able to support a small number of clustering projects.

Proposals will need to demonstrate and commit to delivery of all activity and some outputs before the end of 2017-18. Given the relatively short timescale to set up and deliver a project proposal, proposals will need to provide clear evidence of commitment and ability to implement the proposal quickly.

The support is *not* intended to "pilot" clustering for wider roll-out; it is simply recognition of sector appetite for developing their existing ideas on clustering – enabling development, not driving it. It provides an opportunity to encourage those councils who have an interest in clustering previously but faced barriers in developing their ideas further.

All councils are eligible to apply using the guidance note and application form enclosed with this letter, Annex A and Annex B, for **proposals relating to delivery in 2017-18**. The closing date for applications is **13 October 2017**.

Please send your completed application form to LGPartnerships@gov.wales using "CTC Clustering 2017-18" in the subject heading. Applications received after the closing date of 13 October will not be considered. We are happy to answer any queries you may have about the process or the application form, please get in touch using the email address above.

Yours sincerely

Joan Lockett
Local Government: Transformation and Partnerships