

# Agenda – Equality, Local Government and Communities Committee

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Meeting Venue:

Committee Room 3 – Senedd

Meeting date: 19 September 2018

Meeting time: 08.50

For further information contact:

Naomi Stocks

Committee Clerk

0300 200 6565

[SeneddCommunities@assembly.wales](mailto:SeneddCommunities@assembly.wales)

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Pre-meeting (08.50 – 09.00)

## 1 Introductions, apologies, substitutions and declarations of interest

## 2 Renting Homes (Fees etc.) (Wales) Bill – evidence session 8

(09.00 – 10.00)

(Pages 1 – 18)

Jim McKirdle, Housing Policy Officer, Welsh Local Government Association

Gareth Williams, Accommodation Agency Manager (Environmental Health,

Temporary Accommodation, Social Lettings and Private Sector Development),

Carmarthenshire County Council

## 3 Renting Homes (Fees etc.) (Wales) Bill – evidence session 9

(10.00 – 11.30)

- Rebecca Evans AM, Minister for Housing and Regeneration
- Emma Williams, Deputy Director, Housing Policy Division, Welsh Government
- Helen Kellaway, Lawyer, Welsh Government
- Huw Charles, Bill Manager, Welsh Government

## 4 Papers to note

(Pages 19 – 20)

### 4.1 Letter from the Llywydd in relation to voting rights for prisoners

(Pages 21 – 28)



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- 4.2 Letter from the Minister for Housing and Regeneration in relation to fire safety in high rise blocks in Wales**  
(Pages 29 – 31)
- 4.3 Letter from the First Minister to the Chair of the External Affairs and Additional Legislation Committee in relation to Human Rights in Wales**  
(Pages 32 – 34)
- 4.4 Letter from the Minister for Housing and Regeneration in relation to rough sleeping in Wales**  
(Pages 35 – 38)
- 4.5 Joint letter with the Chairs of the Children, Young People and Education Committee and the Finance Committee to the Leader of the House and Chief Whip in relation to the draft budget 2019–20**  
(Pages 39 – 40)
- 4.6 Joint letter from stakeholders in relation to the Renting Homes (Fees etc.) (Wales) Bill**  
(Pages 41 – 42)
- 4.7 Letter from the Minister for Housing and Regeneration in relation to the Renting Homes (Fees etc.) (Wales) Bill**  
(Pages 43 – 45)
- 4.8 Letter from the Llywydd in relation to Senedd@ events**  
(Page 46)
- 4.9 Written submission to the United Nations Special Rapporteur in relation to poverty**  
(Pages 47 – 56)
- 4.10 Letter from the Cabinet Secretary for Economy and Transport in relation to making the economy work for people on low incomes**  
(Pages 57 – 62)
- 5 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from the remainder of the meeting**

- 6 Renting Homes (Fees etc.) (Wales) Bill: consideration of key issues**  
(11.30 – 12.30) (Pages 63 – 119)
- 7 Inquiry into pregnancy, maternity and work in Wales –  
consideration of Welsh Government response to the report**  
(12.30 – 12.35) (Pages 120 – 145)

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# Agenda Item 4

## Equality, Local Government and Communities Committee

### 19 September 2018 – papers to note cover sheet

| Paper no.                | Issue                                    | From   | Action point   |
|--------------------------|--|--|--|
| ELGC(5)–24–18<br>Paper 1 | Voting rights for prisoners              | Llywydd  | Letter from the Llywydd in relation to voting rights for prisoners   |
| ELGC(5)–24–18<br>Paper 2 | Fire safety in high rise blocks in Wales | Minister for Housing and Regeneration  | Response to the Committee's letter dated 26 June 2018  |
| ELGC(5)–24–18<br>Paper 3 | Human Rights                             | First Minister   | Letter from the First Minister to the Chair of the External Affairs and Additional Legislation Committee in relation to Human Rights in Wales  |
| ELGC(5)–24–18<br>Paper 4 | Inquiry into rough sleeping in Wales     | Minister for Housing and Regeneration  | Response to the Committee's letter date 21 June 2018   |
| ELGC(5)–24–18<br>Paper 5 | Welsh Government Draft Budget 2019–2020  | The Chair and the Chairs of the Children, Young People and Education Committee and the Finance Committee | Joint letter with the Chairs of the Children, Young People and Education Committee and the Finance Committee to the Leader of the House and Chief Whip in relation to the draft budget 2019–20 |
| ELGC(5)–24–18<br>Paper 6 | Renting Homes Bill                       | Stakeholders   | Further information from stakeholders following the  |

|                           |   |   |   |
|---------------------------|---|---|---|
|                           |   |   | evidence session on<br>11 July 2018   |
| ELGC(5)-24-18<br>Paper 7  | Renting Homes<br>Bill   | Minister for Housing<br>and Regeneration                      | Response to the<br>Committee's letter<br>dated 21 June 2018                                 |
| ELGC(5)-24-18<br>Paper 8  | Senedd@events   | Llywydd   | Letter from the<br>Llywydd in relation to<br>Senedd@ events                                 |
| ELGC(5)-24-18<br>Paper 9  | Poverty in<br>Wales: making<br>the economy<br>work for people<br>on low incomes | Equality, Local<br>Government and<br>Communities<br>Committee | Written submission<br>to the United Nations<br>Special Rapporteur in<br>relation to poverty |
| ELGC(5)-24-18<br>Paper 10 | Making the<br>economy work<br>for people on<br>low incomes                      | The Cabinet<br>Secretary for<br>Economy and<br>Transport      | Response to the<br>Committee's letter<br>dated 17 August<br>2018                            |



John Griffiths AM  
Chair  
Equality, Local Government and Communities Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

Your ref:  
Our ref: EJ/HF

6 September 2018

Dear John,

## **Voting rights for prisoners**

The Wales Act 2017 gave the National Assembly the power to make decisions in relation to the institution's electoral and organisational arrangements. As you know, the Assembly Commission is leading work to explore how these powers might be used to make our legislature a more effective, accessible and diverse legislature.

As part of this work, the Commission is considering potential reforms to the franchise for Assembly elections, and as I announced in July 2018, we intend to lower the minimum voting age for Assembly elections to 16 with effect from the 2021 election. By doing so we hope to raise political awareness, participation and understanding of their national parliament among young people.

My Written Statement to the Assembly also addressed prisoner voting and my intention to write to you to invite the Equality, Local Government and Communities Committee to consider undertaking an inquiry into this issue.

I am mindful of the Assembly's human rights obligations under international law in relation to prisoners' voting rights. At present, most prisoners in the UK are prohibited from voting in all elections, although prisoners on remand may vote.

Croesewir gohebiaeth yn Gymraeg neu Saesneg / We welcome correspondence in Welsh or English



However, successive judgments of the European Court of Human Rights have found the UK to be in breach of Article 3 of Protocol 1 of the European Convention on Human Rights. The judgments, all of which predate the coming into force of the Assembly's competence on electoral matters under the Wales Act 2017, make clear that compliance with the Convention does not require all prisoners to be able to vote, rather that considered decisions should be taken about the voting rights of prisoners in elections to legislatures.

While the UK Government has taken some steps to address this ruling, the Wales Act 2017 now enables the Assembly and Welsh Government to be in a position to remedy any breach of international human rights obligations relating to prisoner voting in relation to Assembly and local government elections.

As a Commission, our approach is to take steps to legislate in areas where there is cross-party support and where mandated by the Assembly. The issue of prisoners' voting rights is not one which has been considered by the Assembly as yet.

The legal, ethical, democratic, practical and human rights issues relating to prisoner voting are significant, requiring thorough consideration and judgement.

During the consultation period, the *Creating a Parliament for Wales* consultation was brought to the attention of a range of justice, prison, and victim support stakeholders. However, only 12 organisations responded to the questions on prisoner voting, none of which represent prisoners, prisons or victims of crime. This points to the need for thorough, focused stakeholder engagement work and evidence gathering before any conclusions are reached on whether, and, if so, how and when, prisoners should be enfranchised in Wales.

For that reason, I would strongly welcome the Equality, Local Government and Communities Committee holding an inquiry to examine the principle of whether prisoners should be allowed to vote in Assembly elections.

To assist you in your consideration of this request, I enclose a brief note on the current UK Government position, developments in Scotland as a result of the recent devolution of electoral law to the Scottish Parliament, the outcome of the Commission consultation and an overview of legal issues in this area.





**Elin Jones AC, Llywydd**

Cynulliad Cenedlaethol Cymru

**Elin Jones AM, Presiding Officer**

National Assembly for Wales

I realise that your Committee's workload is significant, but I hope that your Committee will consider that this is an interesting and important area of work and that time can be found at some point to undertake this work on behalf of the Assembly.

I look forward to your response. I am copying this letter to Alun Davies AM, Cabinet Secretary for Public Services and Local Government.

Yours sincerely,

Elin Jones AM

Llywydd

cc Alun Davies AM, Cabinet Secretary for Public Services and Local Government



## **Annex: Prisoners and voting rights**

Most prisoners in the UK are prohibited from voting in all elections, although prisoners on remand may vote. However, successive judgments of the European Court of Human Rights have found the UK to be in breach of Article 3 of Protocol 1 of the European Convention on Human Rights. The judgments, all of which predate the coming into force of the Assembly's competence on electoral matters under the Wales Act 2017, make clear that compliance with the Convention does not require all prisoners to be able to vote, rather that considered decisions should be taken about the voting rights of prisoners in elections to legislatures.

### **UK Government approach**

In response to these rulings, in November 2017 the UK Government announced its intention to give prisoners released on temporary licence or on home detention curfew the right to vote in elections in the UK. It will also, in future, be made clearer on sentencing that imprisonment involves losing the right to vote. These changes will be achieved through the introduction and clarification of administrative arrangements and guidance; no legislation is required. The UK Government estimates that these changes will affect up to 100 offenders across the UK at any time; it is not known how many people it would affect in Wales.

The UK Government's approach has been endorsed as a proportionate response by the Council of Europe, which is responsible for overseeing the implementation of judgments from the European Court of Human Rights. The endorsement does not bind the Court, which will not express a legal view on the adequacy of the arrangements unless and until a further case on prisoner voting in the UK is referred to it.

### **Welsh Government proposals**

In 2017, before the UK Government announced its intentions, the Welsh Government consulted on the local government franchise in Wales, including the issue of prisoner voting. Responses to the consultation were finely balanced on the principle of prisoner voting.

In January 2018, as part of its preparation for the Local Government Bill due for introduction during the course of this legislative year, the Welsh Government



announced that it was exploring proposals to allow prisoners who were due for release within the term of the council to be elected to be able to vote in local government elections in Wales.

## Scotland

The Scottish Parliament's Equalities and Human Rights Committee published a report in May 2018 on its twelve-month inquiry into prisoners and the franchise in Scotland. It recommended by a majority that: "the Scottish Government [...] legislate to remove the ban on prisoner voting in its entirety". The report also highlighted a need for the Scottish Government to consider the practicalities and how the principle should be given effect, and for wide and detailed consultation with stakeholders, victims of crime and the general public.

The Scottish Government desisted from taking action, including consulting on its own proposals for prisoner voting, while the Scottish Committee undertook its inquiry. Responding to the Committee's report in July 2018, the Scottish Government stated:

*"We will bring forward a consultation, setting out options for ensuring compliance with the ECHR. You noted that the Scottish Government should consider a plurality of views when options are under consideration and this should include victims of crime. During the consultation period we will liaise with victim support organisations and members of the public to ensure their views are heard as part of the consultation. We will aim to issue this consultation later in 2018.*

*It is our view that the Scottish Parliament should not give the vote to all prisoners. We are not persuaded of the case for enfranchising all prisoners and we do not think that that is required in order for us to comply with the European convention on human rights."*

## Legislative competence

As noted above, the European Court of Human Rights has ruled on several occasions that the UK is in breach of its international obligations as a result of the blanket ban on prisoner voting. The Assembly and Welsh Government are bound by the UK's international obligations insofar as those obligations are within the



scope of their powers. In particular, section 108A(2)(e) of GoWA 2006 provides that legislating in a manner that is incompatible with Convention rights is outside the Assembly's legislative competence.

The reserved powers model of devolution instituted by the Wales Act 2017 devolved legislative competence over who is able to vote in Assembly elections and local elections in Wales. The result is that the Assembly and Welsh Government may now be in a position to remedy any breach of international human rights obligations relating to prisoner voting, should another case brought before the European Court of Human Rights find that the administrative changes being made by the UK Government were not considered sufficient.

However, the Act also includes some constraints of relevance to whether prisoners should be entitled to vote in Assembly elections. These include reservations relating to: criminal proceedings, including sentencing; and modifications to the law about sentences, including the effect and operation of sentences. In addition, implementing an extension of the franchise to some or all prisoners would require the involvement of the criminal justice system, including the police, court service and the prison service. These bodies are reserved authorities under the Act.

### Creating a Parliament for Wales consultation

The Assembly Commission's *Creating a Parliament for Wales* consultation took place between February and April 2018, and included questions on the UK and Welsh Governments' proposals in relation to prisoner voting:

- Of 1,450 responses to a question about the extent to which respondents agreed with the UK Government's proposals, **54 per cent (780) either strongly agreed or agreed** that prisoners released on home detention or temporary licence should be allowed to vote in Assembly elections, and **34 per cent (490) either strongly disagreed or disagreed**.
- Of 1,440 responses to a question about the extent to which respondents agreed with the Welsh Government's proposals, **49 per cent (700) either strongly agreed or agreed** that prisoners should be able to vote in Assembly elections if they were due for release during the period for which Members were being elected to serve, and **36 per cent either strongly disagreed or disagreed**.



The consultation also invited respondents to identify any issues, risks or benefits which should be considered in relation to prisoners' voting rights in Assembly elections. 510 responses were received to this question, of which:

- 28 per cent (140) were of the view that prisoners should not be allowed to vote. Reasons given included: the loss of rights, including voting rights, being part of prisoners' punishments; and that prisoners should not have a say in who governs the country and makes laws.
- 18 per cent (90) said all prisoners should be allowed to vote. Reasons given included: prisoners being enfranchised in other countries; prisoners being affected by decisions made by the Assembly; and prisoners feeling more a part of society if they were allowed to vote.
- 12 per cent (60) referred to prisoner rehabilitation, arguing that entitlement to vote would help prisoner reintegration into society.

## Conclusion

The Commission considered the consultation responses in July 2018 and the Llywydd subsequently issued a Written Statement to the Assembly on this matter stating the Commission's conclusion:

*"There is the question of our human rights obligations under international law in relation to votes for prisoners. The legal, ethical, democratic, practical and human rights issues relating to prisoner voting require thorough political consideration and judgement. We believe that further work is needed in this area to consider further evidence and this requires more time than we have to be able to properly consider it for inclusion in the Commission's legislation. As a legislature, we must take our obligations seriously. As such, the Commission believes that the right approach in the first instance is to invite the Equality, Local Government and Communities Committee to consider holding an inquiry to examine the issue of whether prisoners from Wales should be allowed to vote in elections to the National Assembly."*

Issues of relevance to such an inquiry might include:



- Arguments for and against some or all prisoners being enfranchised, for example whether distinctions might be drawn between different categories of prisoner on the basis of sentence length or types of offence;
- Human rights issues to which enfranchising some, all or no prisoners might give rise;
- Practical issues, for example those relating to electoral registration, voting, prisoner engagement with the political process, and the provision of political and citizenship information and education;
- Cross-border issues arising from prisoners from Wales being imprisoned in England, and vice versa.

Ein cyf/Our ref: MA-P-RE-2424-18

John Griffiths AM  
Chair  
Equality, Local Government and Communities Committee

9 July 2018

Dear John,

On-going inquiry into fire in high-rise buildings

Thank you for your further letter requesting further information, which I have set out below.

Private sector – the role of block managing agents

In terms of support for companies established to manage privately-owned residential blocks, either with or without ACM cladding systems, I am similarly concerned that these companies, often comprising flat owners, are supported to find appropriate ways to address the myriad, complex issues with which they can be faced.

I have previously outlined our actions in connection with leasehold reform. One of the strands of this work is the establishment of a multi-disciplinary Task and Finish group on residential leasehold reform, which will meet for the first time later this month. I have asked that group to advise me on the establishment of a voluntary code of practice for property management agents. I have also asked the group to consider what awareness raising materials and training should be promoted or developed for those involved in leasehold transactions (which may include prospective buyers, current leaseholders, conveyancers and property management agents). These steps are intended to assist both professional bodies and those set up by tenants to manage their responsibilities effectively.

In the interim Welsh Government funds LEASE to provide independent advice and guidance on matters relating to Leasehold. Their website offers a range of guidance material on matters relating fire risk assessment.

The casework approach we have taken to buildings identified as having ACM cladding means that my officials are directly engaged with owners, agents, and developers for each of the buildings concerned.

The Fire and Rescue Services (FRS) can, of course, provide expert advice on fire safety, usually free of charge. However, companies and individuals with legal responsibilities for fire safety nonetheless need to discharge those responsibilities themselves. In the case of each of the buildings we have identified as having ACM cladding the FRS have been directly engaged with those responsible for the buildings to assist in their assessment of risk.

Officials wrote to all owners of residential high rise in Wales earlier this year, reminding them of the need to undertake appropriate risk assessments and providing a link to the guidance issued by the UK Government. Further the Regulation team have recently undertaken an exercise seeking assurances from the Boards of Registered Social Landlords with regard to health and safety.

Where buildings, for example in Cardiff, have been found to be of concern the FRS has been similarly engaged. My officials have also written to the owners / agents of all high rise residential buildings in Wales reminding them of the guidance available via the UK Government.

Finally I would comment that I appreciate the law can be both vague and confusing in this regard, and we agree with the Hackitt Review that reform is needed to address that.

### Financial Issues

I am fully committed to ensuring that people living in high-rise buildings, in both sectors, are safe and secure.

I would also reiterate the Welsh Government's position on funding for remediation work in the private sector: that we do not wish costs to be passed on to individual leaseholders or residents. We have welcomed moves by a number of developers in England to live up to their responsibilities in meeting remediation costs. I have now concluded a round of meetings with the developers and managing agents of the private sector buildings in Wales with Category 3 (and, where they correspond with BRE Test 7, Category 2) ACM cladding systems. The meetings have been constructive, and I have been reassured that work is now in hand on a number of buildings or else there is significant progress towards remediation. To date, this work is rightly being funded by building owners or developers. I was also pleased to note that costs of interim measures were not being passed to residents.

We will continue to liaise with the private sector as we seek full and prompt remediation to the affected buildings and that leaseholders and residents are not financially disadvantaged.



Whilst I have noted the RLA's proposal, I remain of a view that this is a matter for building owners and developers but that costs should not be passed onto leaseholders.

#### Expert Group

I am establishing an expert group, which I will chair, to ensure we can shape and take forward a suitable Welsh response to the conclusions and recommendations of the Independent Review of Building Regulations and Fire Safety. The group will start to meet later this summer, with a view to establishing a pathway in December. I agree that it is important that the Committee and other interested parties are kept abreast of developments and, for that reason; I am content for a note of our discussions and decisions to be published following each meeting. Naturally, I would also be happy to brief the Committee on the work of the group (although that might be most useful for you as we start to form our conclusions).

#### Fire Safety Advisory Group

I have found the Fire Safety Advisory Group to be useful, particularly so in the immediate aftermath of fire at Grenfell Tower. I am reflecting on how it can best continue to add value, and how its work will relate to that of the Expert Group.

Yours sincerely,



**Rebecca Evans AC/AM**

Y Gweinidog Tai ac Adfywio

Minister for Housing and Regeneration



Llywodraeth Cymru  
Welsh Government

ELGC(5)-24-18 Papur 3 / Paper 3

David Rees AM  
Chair  
External Affairs & Additional Legislation Committee

23<sup>rd</sup> July 2018

Dear David

## Equality and human rights implications of Brexit

I am writing in response to your letter of 28 June. Please see the response below to your request for further clarification on points raised in my last letter.

### **The EU Charter of Fundamental Rights: how the Welsh Government will ensure that Charter Rights continue to apply in Wales.**

The Welsh Government had previously supported efforts to amend the EU (Withdrawal) Bill in the House of Lords to ensure that the Charter was fully incorporated into UK law after Brexit. We are therefore disappointed that the Charter will not form part of domestic law after the exit day.

The 'Charter of Fundamental Rights of the EU: Right by Right Analysis'<sup>1</sup> sets out the UK Government's analysis of the effect of the treatment of fundamental rights in the EU (Withdrawal) Bill.

The UK Government's position can be summarised as follows:

- The UK Government has chosen not to incorporate the Charter into domestic law on the basis that the Charter does not create any new rights, freedoms or principles but instead catalogues the rights and principles already protected by EU law.

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<sup>1</sup> [Charter of Fundamental Rights of the EU Right by Right Analysis](#) 5.12.2017

Bae Caerdydd • Cardiff Bay

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:

Caerdydd • Cardiff

0300 0604400

CF99 1NA

[YP.PrifWeinidog@llyw.cymru](mailto:YP.PrifWeinidog@llyw.cymru) • [ps.firstminister@gov.wales](mailto:ps.firstminister@gov.wales)

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.

- The UK Government notes that the Charter is only currently applicable to Member States when they are 'acting within the scope of EU law'.
- The UK Government argues that the removal of the Charter will not affect the rights that individuals already benefit from as the Charter is not the source of these rights.

The Right by Right Analysis document suggests that the Human Rights Act 1998 and European Convention on Human Rights will be integral in ensuring the continued protection of the Charter rights following the withdrawal from the EU.

These are matters which require careful consideration. We will work with the UK Government to seek assurances on individual rights in the coming months. We will also continue to engage actively with the Equality and Human Rights Commission on these issues.

**Non-regression: how the Welsh Government intends to ensure that existing rights and obligations (particularly equality and human rights standards in devolved competence) are not eroded or removed as a result of Brexit.**

Human rights are built into the DNA of the Welsh Government. In addition to the current requirement to act compatibly with EU law, the Government of Wales Act 2006 also requires the Welsh Government to act compatibly with "the Convention rights", as reflected in the Human Rights Act 1998, and likewise the Assembly cannot legislate in a way which is incompatible with those rights. This legislation will on exit, rightly continue to influence everything we do.

The Welsh Government believes that the mechanisms contained within the Human Rights Act are an important and appropriate means for the people of Wales to challenge inequality and injustice and the Convention rights enshrined within that Act rightly continue to influence its policies, legislation and decisions. We have consequently continued to be fundamentally opposed to any withdrawal from the European Convention on Human Rights or any repeal of the Human Rights Act 1998.

We therefore welcomed the fact that when the UK Government recently published its White Paper, 'The Future Relationship between the United Kingdom and the European Union' on 12 July 2018 it confirmed that 'the UK is committed to membership of the European Convention on Human Rights'.<sup>2</sup>

The Government of Wales Act 2006 also includes provision relating to international obligations beyond the Convention rights and we similarly remain committed to reflecting the principles of our international obligations in our policies, legislation and decisions.

An example of this commitment is the Social Services and Well-being (Wales) Act 2014 which places duties on persons exercising functions under the Act to have regard to the United Nations Convention on the Rights of a Child and the United Nations Principles for Older Persons. Likewise, the Rights of Children and Young Persons (Wales) Measure 2011 made provision in connection with giving further effect in Wales to the rights and obligations set out in the United Nations Convention on the Rights of the Child.

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<sup>2</sup> [The Future Relationship between the United Kingdom and the European Union](#) – 12.07.2018, Page 52

The Well-being of Future Generations (Wales) Act 2015 further reinforces our resolve to maintain and drive forward our commitment to equality by placing a legal duty on specified public bodies to set and publish well-being objectives, which maximise achievement of the well-being goals, including a more equal Wales. This coordinated action will help ensure that equality and human rights are safeguarded in Wales.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carwyn Jones', with a stylized, flowing script.

**CARWYN JONES**

18 July 2018

Dear John,

### **ELGC Committee – Request for further information**

Thank you for your letter of 21 June 2018 requesting further information in relation to the Welsh Government's response to your Committee's report on rough sleeping. I have outlined a response to each of your additional questions below.

### **Recommendations 1 and 2**

***1. When will the updated Code of Guidance for Local Authorities in the Allocation of Accommodation and Homelessness be published?***

An updated version of the Code of Guidance for Local Authorities in the Allocation of Accommodation and Homelessness will be issued for consultation by the end of 2018.

***2. What are the timelines for developing and publishing best practice user guide for the application of section 68 interim accommodation duties?***

The Welsh Government is engaging with local authorities and other key stakeholders during the summer to inform the development of best practice guides, with a view to publishing them in the autumn.

***3. What are the timelines for the independent assessment relating to changing the approach to priority need? In particular, when will the Welsh Government be in a position to make a final decision on changes to the current approach?***

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

[Correspondence.Rebecca.Evans@gov.wales](mailto:Correspondence.Rebecca.Evans@gov.wales)  
[Gohebiaeth.Rebecca.Evans@llyw.cymru](mailto:Gohebiaeth.Rebecca.Evans@llyw.cymru)

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.

The exact timescales for the independent assessment will be determined by the commissioning process, however I am clear this is a priority piece of work that needs to be undertaken as quickly as possible. It is only once we fully understand all the consequences, both intended and unintended, will we be in a position to make a decision on changes to the current approach.

## Recommendation 7

### **4. *When will the best practice guidance on local connection be available?***

The Welsh Government is engaging with local authorities and other key stakeholders during the summer to inform the development of best practice guides, with a view to publishing them in the autumn.

## Recommendation 10

### **5. *The Welsh Government has rejected this recommendation on the basis that flexible payment options are already available to claimants in Wales. It would appear from the evidence we received during our inquiry that organisations directly involved in the delivery of homelessness services are not necessarily aware of these payment options.***

***We would like further details of these options, including details of the full range of options that are available, whether they are available to all claimants in Wales and how they can be accessed. In addition, we would like you to confirm whether you will commit to raise awareness of the availability of flexible payment options with the housing and homelessness sector and with third sector financial advice services as a matter of priority?***

The Welsh Government rejected this recommendation on the basis that we do not support the devolution of welfare benefits or their administration to Wales. As a matter of principle we should all be entitled to an equal claim from our welfare state. The needs of citizens within the UK, wherever they live, should be equally met.

As set out in my original response, the Welsh Government does wish to see all Universal Credit claimants being offered an informed choice regarding how their Universal Credit is paid to them through flexible payment options. These options would see more frequent payments, more than just once per month, the housing costs being paid directly to the landlord and split payments for those who wish to see this.

Currently for individuals and couples claiming Universal Credit in Wales, England and Scotland, the Department for Work and Pensions (DWP) has a number of ways to support the most vulnerable claimants through their Alternative Payment Arrangements (APAs) process. These APAs can be:

- Direct Payment of the Housing Costs of Universal Credit to a landlord;
- More frequent payment of Universal Credit than monthly; and
- Split payment arrangements of Universal Credit for couples.

At the start of a claim for Universal Credit everyone has to have an initial face to face interview with their Job Centre Work Coach. It is at this initial meeting when the details for any Universal Credit claim are verified, such as rental information, that there is a mechanism in place for the Work Coach to trigger a discussion with the claimant(s) regarding how Universal Credit will be paid, or if APAs need to be put in

place. For example, a claimant would be asked if their Housing Benefit was previously paid direct to their landlord, or whether the claimant has two months of rent arrears. If the claimant answers 'yes' to either of these questions then the Work Coach will refer them for an APA. This would normally mean that the housing costs in Universal Credit would then be paid direct to the landlord.

There are other times when a conversation between the Work Coach and the claimant can trigger a discussion about APAs, for example, when:

- a claimant requests an advance payment and has requested support with Personal Budgeting Support;
- if the claimant has a change of circumstances where they have secured a tenancy after previously being homeless;
- if the customer has any mental ill health or has difficulty managing a budget (this might be asking for Food Bank Vouchers);
- in certain circumstances the landlord will automatically request a 'managed payment' of housing costs direct to them if they are aware that the claimant has a history of rent arrears OR to prevent any rent arrears occurring.

DWP has explained that this is not prescriptive of the conversation which can trigger a discussion about APAs with the claimant, this can occur at any point during an individual's/couple's claim for Universal Credit.

I have repeatedly written to DWP Ministers asking for greater consideration for proactively offering these 'payment' choices on a more informed basis to claimants in Wales, and has been advised that the APAs process is in place for this purpose. However, there does appear anecdotally to be an inconsistent approach to how APAs are being applied by the DWP across Wales.

Further to my previous response, we have now established a joint Board with the DWP, which is looking at the operational implementation issues for Universal Credit. I can confirm that this Board will look as a priority at what more can be done to ensure that the awareness and communications on the availability of APAs are stepped up and improved, particularly for landlords, advisory services and third sector organisations, which are supporting vulnerable people, including the homelessness and housing sector.

## **Recommendation 11**

### ***6. When will best practice on how vulnerable households are housed and supported to maintain their accommodation be rolled out?***

The Welsh Government is engaging with local authorities and other key stakeholders during the summer to inform the development of best practice guides, with a view to publishing them in the autumn.

## **Recommendation 12**

### ***7. What are the timelines for the assessment of how transitional funding allocated to local authorities has been utilised to improve access to the PRS for homeless people?***

The assessment will be undertaken in the autumn in order to inform our longer term plans to maximise the impact of the PRS sector within Wales.

## **Recommendation 14**

### **8. *What are the timelines for reviewing current move on arrangements?***

The Welsh Government will be engaging with local authorities and other key stakeholders over the summer to review current move-on arrangements, with a view to identifying and promoting best practice.

## **Recommendation 27**

### **9. *Will the findings of the Flexible Funding Pathfinders be available ahead of the next budget round?***

We have a comprehensive approach to evaluating the proposed Early Intervention, Prevention and Support Grant. In addition to a formal independent evaluation by Wavehill, a variety of other sources of evidence will be considered, including information from the Society of Welsh Treasurers.

The independent evaluation has been structured in such a way that it will provide ongoing evidence to inform our assessment of implementation. Our action research based approach means we have regular discussions with the evaluators who are expected to submit their first report of findings in September.

I am grateful for the continued interest and work of the Equalities, Local Government and Communities Committee in this vital area of work.

Yours sincerely,



**Rebecca Evans AC/AM**

Y Gweinidog Tai ac Adfywio

Minister for Housing and Regeneration



# Agenda Item 4.5

ELGC(5)–24–18 Papur 5 / Paper 5

Cabinet Secretary for Finance; and Leader of the House

23 August 2018

Dear Cabinet Secretary and Leader of the House

## **Welsh Government Draft Budget 2019-20**

As you will be aware, our three Committees are working together as part of our draft budget scrutiny. This is in direct response to calls from stakeholders during the Finance Committee's preliminary stakeholder engagement on the 2019/20 budget.

These calls included a need to engage with children and young people in relation to the draft budget. In addition, the Equality and Human Rights Commission also called for further scrutiny to be conducted on the quality of impact assessments.

As these calls chimed with issues that all of our committees have considered in our respective budget scrutiny over recent years, we are holding a concurrent meeting on 15 November to further explore them. We are grateful that you have both agreed to come to this session. In advance of the session, please provide us with a paper detailing:

- The **approach taken to the strategic integrated impact assessment** (SIIA) this year;
- specific **improvements made to the SIIA** since the 2016 [review of Welsh Government impact assessments](#);
- how the **Gender Rapid Review** informed how the SIIA was conducted this year;

- how **children's rights** have been considered and assessed for this draft budget, in line with the Welsh Government's duty of due regard to the UNCRC (to include detail of any decisions taken in relation to providing a standalone CRIA, as recommended by the CYPE Committee, and the underlying reasoning for those decisions);
- how the impact of both Welsh Government borrowing and new income tax powers informed the SIIA;
- how the SIIA evidences the financial impact of Welsh Government decisions;
- how the **Cymraeg 2050 Strategy** along with the **Rapid Review of Welsh in Education Strategic Plans 2017-20**, which made specific recommendations around capital investment, impacted on the SIIA this year.

We recognise that matters relating to impact assessment reach beyond the remits of our three committees. However we hope that this session will inform future scrutiny of budgetary matters of a cross-cutting nature.

It would be helpful to receive your submission by 25 October.

Yours sincerely

Equality, Local Government and Communities Committee

Children, Young People and Education Committee

Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



## ELGC(5)–24–18 Papur 6/ Paper 6

July 23, 2018

Dear John,

We'd like to thank you and the committee for inviting us to provide evidence on the Renting Homes (Fees etc.) (Wales) Bill on July 11. We are writing to provide additional information about our concerns around the 'right to rent' scheme; these concerns are shared by all signatories to this letter.

In the current draft of the fees bill, 'right to rent' is referenced in relation to the treatment of holding deposits (Part 3). The explanatory notes within this section state:

*"Paragraph 7 provides that the landlord does not have to repay a holding deposit if the landlord is prohibited by section 22 of the Immigration Act 2014 from letting premises to the prospective contract-holder (because the prospective contract-holder is disqualified from renting privately by reason of his or her immigration status)."*

As a general principle we feel that **unless prospective tenants have deliberately misrepresented their circumstances they should not be left substantially out of pocket**. Also given the lack of understanding around the scheme there is considerable danger that right to rent decisions may be incorrect.

More broadly, independent research of the scheme in England<sup>1</sup> found that:

- It has led to a rise in discriminatory letting practices. 51 per cent of landlords say they are now less likely to rent to a non-EU national, while 42 per cent are less likely to rent to anyone without a British passport
- It (the scheme) is not widely understood by landlords. 27 per cent of landlords are either unaware of the scheme or don't feel like they understand their obligations
- Levels of enforcement are low. Only 654 individuals have come to the Home Office's attention as a result of the scheme, and only 31 of these have since been removed from the country.

<sup>1</sup> <http://www.icwi.org.uk/news-and-policy/passport-please> (Accessed 11/07/18)

The 'right to rent' scheme is currently the subject of a judicial review, we do however believe there are tangible steps the Welsh Government could take at present:

- Ensure landlords cannot retain holding deposits as a result of 'right to rent' checks
- Re-consider the inclusion of the 'right to rent' check within the legislation. We feel, considering the evidence, that the policy is discriminatory and therefore it should not be included
- Call on the UK government to urgently undertake additional evidence gathering and evaluation exercises to meet the concerns posed by the independent research

We would be grateful if the committee would consider the points above as you work towards formulating recommendations.

If you would like any further information on anything contained within this letter then please don't hesitate to get in touch.

Yours sincerely,



Matt Dicks  
Director, CIH Cymru.



Alicja Zalesinska  
Director, Tai Pawb



Ruth Coombes  
Head of Wales, EHRC



Dr. Simon Hoffman  
Associate Professor,  
College of Law & Criminology,  
Swansea University



John Puzey  
Director, Shelter Cymru



Stuart Ropke  
Chief Executive, CHC

ELGC(5)-24-18 Papur 7/ Paper 7

Ein cyf/Our ref MAL/RE/0386/18

Llywodraeth Cymru  
Welsh Government

John Griffiths AM  
Chair, Equality, Local Government and Communities Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
CF99 1NA

4 September 2018

Dear John,

Thank you for your letter following my appearance before the Committee on 21 June 2018. At that meeting I agreed to provide further details on those matters raised in your letter. I have responded in the order the matters were raised.

*Assessment of evidence that the equivalent legislation to the Bill introduced by the Scottish Government led to rent increases*

Following implementation of the Rented Housing (Scotland) Act 2011, some stakeholders have argued, based on data available through the *Private sector rent statistics: 2010 – 2017*<sup>1</sup>, that there is a causal link between the 2011 Act and a recorded increase in rent of 4.2% during 2012-13.

The issue of rent rises was examined by a House of Commons inquiry into the banning of letting agents' fees in Scotland in March 2015<sup>2</sup> which was unable to find strong evidence linking the increase to the 2011 Act. The experience of the 2011 Act in Scotland was also examined as part of research<sup>3</sup> commissioned by the Welsh Government. Quantitative analysis referenced within the research indicated that there had been a small inflationary impact of 1-2%, at least for part of 2013, because of the ban on agents' fees. However, the analysis concluded that this was likely to be a marginal and short-term response. This matter is considered further within the RIA which accompanied the Bill.

<sup>1</sup> <https://beta.gov.scot/publications/private-sector-rent-statistics-scotland-2010-2017/pages/8/>

<sup>2</sup> <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmcomloc/964/964.pdf>

<sup>3</sup> <https://gov.wales/statistics-and-research/research-letting-agent-fees-tenants/?lang=en>

*Whether the provision in paragraph 3(b) of Schedule 2 to the Renting Homes (Fees etc.) (Wales Bill), dealing with the return of holding deposits, prevents landlords from defaulting on any agreement to carry out works prior to the occupation date*

The purpose of holding deposits is limited to taking the property off the market whilst checks are being undertaken and the contract drawn up. Any commitment in relation to work to be carried out before the property is occupied should be included as a term of the contract, so that it can be enforced under the contract.

*Whether sums from fines issued by courts for offences under the Bill should be retained by a local housing authority, as with fixed penalty notices*

Under section 38 of the Courts Act 2003, any fine imposed by the Magistrates Court must be paid by the Lord Chancellor into the Consolidated Fund. Notwithstanding potential concerns around competence with this proposal, I do not think it is appropriate for fines issued by magistrates courts to be passed to local authorities, or for those fines to be a source of income for local authorities.

*Reference to lettings work and letting agency work within the Bill*

I am grateful to the Committee for identifying this drafting inconsistency within the Bill. In order to ensure consistency with the 2014 Act, I will ensure that an amendment is brought forward at stage 2 so that section 4 refers to “lettings work” rather than “lettings agency work”.

*Under sections 2(6), 3(5) and 17, should the Bill require that interest also be payable or would a court automatically award interest?*

The County Court already has power to award interest on debts and damages. In respect of the Magistrates Court a fine upon conviction may comprise a number of elements (the fine itself, compensation prosecution costs and a surcharge), all of which in turn depend upon the offender’s ability to pay. Again, there would be considerations in respect of competence with this proposal.

*The meaning of section 2(3) in the Bill (which applies solely to landlords) and explain why there is no equivalent provision for letting agents in section 3.*

Section 2(3) of the Bill provides an exception to the prohibition on payments if the contract for services is provided by the person entitled to occupy the dwelling, an example being where the contract-holder is under a contract for employment and occupies the dwelling as a condition of their employment, such as a caretaker. A contract for services would apply to a landlord, but would not apply to a letting agent. For that reason, it is appropriate the exception applies to landlords and not letting agents.

*What was the rationale behind setting “reckless” as the threshold for Section 12(1)(b) and 12(2)(a)? Why was the lower threshold of negligence, not chosen?*

The provision within the Bill reflects actions which are criminal rather than negligent, as the basis for determining offences of providing false or misleading information. In developing the provision, consistency has been sought with section 39 of the 2014 Act. Under that section, a person who-

- (a) supplies any false or misleading information to another person;
  - (b) knows that it is false or misleading or is reckless as to whether it is false or misleading;
- and

(c) knows that the information is to be used as information by a licensing authority in connection with any of its functions under Part 1 of that Act (Regulation of Private Rented Housing) commits an offence. A lower threshold was not chosen for such offences because doing so would not reflect a deliberate act to deceive.

I trust that this further explanation provides greater clarity on the purpose and effect of the Bill.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The script is cursive and fluid, with a small dot at the end of the word "Evans".

**Rebecca Evans AC/AM**  
Y Gweinidog Tai ac Adfywio  
Minister for Housing and Regeneration

Committee Chairs  
 National Assembly for Wales  
 Cardiff Bay  
 CF99 1NA

Your ref:  
 Our ref: EJ/KD/LPR

18 July 2018

Dear Committee Chair

I write to you about our plans for the next two Senedd@... Initiatives:

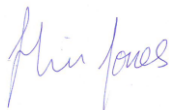
- Senedd@Aberystwyth - week commencing 3 December 2018;
- Senedd@Caerphilly - week commencing 25 March 2019.

We are currently in the process of designing our events programme which will be complemented by outreach and education sessions with schools, colleges, youth groups, community groups, businesses and charities in the area.

During previous Senedd@ initiatives, committees have held formal meetings and informal engagement sessions in community locations, to encourage people to participate in their work. Both Senedd@Aberystwyth and Senedd@Caerphilly provide an opportunity to raise your Committee's profile, and directly engage with local stakeholders and citizens. As such, we would be grateful if you could consider whether your committee would like to be involved in one or both Senedd@ and advise us of your intentions by contacting Kevin Davies ([kevin.davies2@assembly.wales](mailto:kevin.davies2@assembly.wales)).

Thank you in advance for your co-operation.

Yours sincerely



Elin Jones AM  
 Llywydd

Croesewir gohebiaeth yn Gymraeg neu Saesneg / We welcome correspondence in Welsh or English

**Cynulliad Cenedlaethol Cymru**  
 Bae Caerdydd, Caerdydd, CF99 1NA  
 Llywydd@cynulliad.cymru  
 www.cynulliad.cymru  
 0300 200 7403

**National Assembly for Wales**  
 Cardiff Bay, Cardiff, CF99 1NA  
 Llywydd@assembly.wales  
 www.assembly.wales  
 0300 200 7403



# Written submission to:

## United Nations Special Rapporteur on extreme poverty and human rights

September 2018

### About the Committee

1. The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.
2. We are an Assembly Committee established in 2016 (following the May 2016 elections). We were established to examine legislation and hold the Welsh Government to account by scrutinising expenditure, administration and policy matters encompassing (but not restricted to):
  - Local Government
  - Housing
  - Community regeneration
  - Cohesion and safety
  - Tackling poverty
  - Equality of opportunity; and
  - Human rights.
3. We are a cross-party Committee, with representation from all of the four political parties in the Assembly. Our membership is listed in Annex 1.



4. Our predecessor Committee in the last Assembly (2011-2016), the **Communities, Equality and Local Government**, also took a keen interest in poverty. This submission draws on the work of both committees. A list of the relevant work is available in Annex 2.

5. We have not responded to all the questions.

## Introduction

6. More than **one in five** people in Wales (23% of the population) currently live in poverty, which is the highest level of all UK nations. This means that 710,000 people in Wales live below the poverty line, including 185,000 children, 405,000 working-age adults and 120,000 pensioners.

7. Forecasts of poverty in Wales predict that the situation is **not set to improve**. By 2021-22, **it is estimated that** 27% of the Welsh population will be living in poverty, and that 39% of children will live in poverty.

8. The Welsh population living in poverty is expected to increase 3 percentage points (pp) by 2021-22. This is the third highest increase of all UK regions, behind only Northern Ireland and the North East with a projected 4pp increases respectively. The level of child poverty in Wales is projected to increase 10pp by 2021-22, higher than all areas except the North East, where child poverty is anticipated to increase by 12pp.

**(1) What is the definition of poverty and extreme poverty that your organization employs in the context of the United Kingdom and to what extent do official definitions used by the state adequately encompass poverty in all its dimensions?**

9. In 2015 in a report into ***Poverty and inequality in Wales***, our predecessor committee explored the definition of poverty (or lack of) used by the Welsh Government. It recommend that the Government:

“should adopt a clear definition of poverty based on needs and resources, rather than the standard income-based measurement. The government’s approach to tackling poverty should be formed around addressing every person’s minimum human needs – this means food, shelter and fuel. The definition should also reference the ‘minimum income standard’ research by the Joseph Rowntree Foundation, which

is based on what the public considers to be enough money to live on in order to maintain a socially-acceptable quality of life.”

**10.** The Welsh Government does not currently have a poverty strategy, as it did in previous Assemblies. This means that it still does not publish a clear definition of what poverty means, for use by not only its own departments, but by local authorities and private and voluntary sector organisations that administers services on its behalf using public funding.

**11.** This is a matter that we have repeatedly called upon the Welsh Government to rectify. In two of our recent reports looking at poverty in Wales: Communities First, lessons learnt and Making the Economy Work for People on Low Incomes, we made the same recommendation, which was rejected by the Welsh Government on both occasions:

“We strongly recommend that a clear tackling poverty strategy is published, which brings together the many strands of poverty reduction work to help provide clear direction and to help the Assembly scrutinise the Government’s approach. The strategy should include clear performance indicators to ensure effective performance management, as well as setting out a broader evidence base to help underpin effective evaluation of different approaches to tackling poverty.”

**12.** In rejecting the recommendation the second time, the Welsh Government told us that their national Strategy ‘Prosperity for All’ “provides a framework for our whole Government approach to increasing prosperity and addressing the root causes of poverty in a more effective, joined-up way”. They added that they wanted “to avoid separate strategies that fail to take a holistic approach to complex issues. We can only effectively respond to the long-term challenge of addressing poverty by joining up everything we do.”

**13.** We do not believe having a single focused strategy precludes the ability to take an holistic approach to tackling poverty. We are particularly concerned because we do not believe that Prosperity for All and the related Economic Action Plan do not set clear actions with related deadlines, and performance measures. In our report, “Making the Economy work for people on low incomes” we said that the “lack of indicators and milestones [in the Economic Action Plan] is a significant omission.”

**14.** We also recommend that the Welsh Government develop a single joined up implementation plan. While the Welsh Government accepted this

recommendation 'in principle'. We were not reassured by the response the Government gave. It will be a matter we will continue to keep under close scrutiny.

## (2) What is your view on the current official measurement of poverty by the government, what are the shortcomings of the current measurement and what alternatives would be feasible?

**15.** Our predecessor Committee considered this issue. Its **2015 report** stated:

"People living in poverty in Wales are not a homogenous group, and the Welsh Government needs to improve its data around poverty to reflect this.

As a consequence of a lack of data, we heard that policy makers are currently 'working in the dark'. This is unacceptable. The Welsh Government urgently needs to develop a strong evidence base that identifies exactly who is in poverty, and describes clearly the depth and persistence of poverty in Wales. This should go hand in hand with dramatic improvements to monitoring arrangements of current programmes that can demonstrate tangible progress in poverty reduction, or the lack thereof. Otherwise, the status quo will continue: policy developed in the absence of evidence; performance monitored in the absence of data."

**16.** In 2017 as part of our **inquiry into the end of the Welsh Government's flagship anti-poverty programme**, we were persuaded:

"of the merit of the Welsh Government funding a longitudinal study into poverty in Wales to rectify the paucity of established data from Communities First. In correspondence to the Committee, the Cabinet Secretary for Communities and Children outlined two studies which the Welsh Government support that can provide further data and information to help inform policy making. He also stated that the Welsh Government are currently considering the feasibility of constructing an individual deprivation measure in Wales using administrative data. We welcome this work, but do not feel that it goes far enough. We still believe there is a merit in the Welsh Government exploring the feasibility of a specific longitudinal study into poverty in Wales."

**17.** The Welsh Government **responded** by saying it “will undertake exploratory work to consider the feasibility of a longitudinal study, looking at costs, options, benefits and impacts of a potential study alongside other ways of improving data. Furthermore there is the significant potential of data linking through the Administrative Data Research Network, which may be a more powerful method of understanding individuals’ outcomes over time at a more detailed level than a single new survey would allow.”

**(5) Could you specify how poverty and extreme poverty in the United Kingdom intersect with economic and social rights issues (such as the right to education or the right to health care)? Please exemplify by referring to specific cases and relevant norms of international human rights law.**

**18.** There are numerous examples of how extreme poverty intersects with civil and political rights and economic and social rights in Wales:

- Our recent **inquiry into rough sleeping in Wales** found that the life expectancy of a rough sleeper is 47 years. Over 300 people currently live on the streets in Wales, which is a violation of their right to life and physical and mental integrity. We made a range of practical recommendations to reduce rough sleeping in Wales, including abolishing ‘priority need’ for accommodation to ensure that all people living on the streets are determined as being in priority need.
- In our **inquiry into refugees and asylum seekers in Wales**, we heard stories of destitution among people awaiting the outcomes of asylum applications. We found that while “the number of destitute people in Wales is not known, but the number of people referred to the British Red Cross for destitution support in Newport and Cardiff has doubled in recent years (from 564 cases in 2013, to 1,027 in 2015)”. While we welcome the Welsh Government’s **recent proposals** to prevent destitution through financial inclusion, policy reiterate our conclusion that “the fact that the UK Government is ultimately responsible for immigration does not override the moral duty upon the Welsh Government to help people in Wales who are in desperate need.” We stand by our recommendation that the Welsh Government should establish a small emergency grant fund for asylum seekers and those with no recourse to public funds, similar to the Red Cross scheme in Northern Ireland.

- In our recent inquiry into **pregnancy, maternity and work**, we found that 54,000 women in the UK lose their jobs each year because of discriminatory employment practices. We heard numerous examples of women in low paid employment being made redundant or forced to leave during maternity leave or after returning to work. We were told that “people in unskilled work are easily replaceable in the labour market and therefore more vulnerable to discrimination and unfair treatment as a result of pregnancy and maternity”.

## (6) Which areas of the United Kingdom should the Special Rapporteur visit in light of the poverty and human rights situation in those locations?

**19.** The Special Rapporteur should visit Wales, as the country with the highest levels of poverty in the UK. They should visit rural and urban areas to understand how poverty and extreme poverty manifests itself in different contexts, and how issues unique to Wales (such as the Welsh language and devolution context) affects access to employment, public services and benefits.

## (7) Which individuals and organizations should the Special Rapporteur meet with during his country visit to the United Kingdom?

**20.** In Wales: Equality, Local Government and Communities Committee; Cabinet Secretary for Economy and Infrastructure; Bevan Foundation; Oxfam Cymru; Welsh Refugee Coalition; Trussell Trust; Shelter Cymru; Crisis; Llamau.

## C. UNIVERSAL CREDIT

(16) What has the impact of Universal Credit been on poverty and the lives of the poor in the United Kingdom until now? It would be helpful to also distinguish the specific impact of Universal Credit on specific groups, including for example children, persons with disabilities, women and other groups which may be more vulnerable on the basis of their identity and circumstances.

**21.** We raised a range of specific issues with the rollout of Universal Credit which can be read in **our correspondence** with the UK Government.

**22.** In our recent report on **rough sleeping in Wales**, we highlighted welfare reforms as a structural cause of rough sleeping and a causal factor in the recent increase in rough sleeping. Our biggest concern is that the full repercussions of Universal Credit have yet to be felt in Wales.

**23.** In our inquiry into ***'Making the economy work for people on low incomes'***, we concluded that:

“In the current financial climate, and in the face of welfare reforms, managing finances is becoming increasingly challenging, for the poorest and most vulnerable in our communities.

We believe that having the flexibility to change the way in which Universal Credit is administered would enable the Welsh Government to adopt an approach that is better suited to meet the needs of claimants in Wales. For example, providing payments to claimants twice monthly and enabling them to be made directly to landlords to help minimise the risk of rent arrears. We recommended that the Welsh Government considers seeking powers over the administration of Universal Credit akin to those available to the Scottish Government.”

## F. 'BREXIT'

### (28) What are the potential implications of Brexit for the situation of those living in poverty in the United Kingdom?

**24.** In our **joint inquiry into the human rights impact of Brexit in Wales**, we highlighted that “Wales currently receives £370m a year from the EU to invest in our 2014 - 2020 European Structural and Investment Fund Programme [which includes the European Social Fund (ESF) and the European Regional Development Fund (EDRF)]. [...] Equal Opportunities and Gender mainstreaming (EO&GM) is one of three crosscutting themes integrated into the 2014-2020 Programmes.”

**25.** We went on to say that:

“Recent research by the Equality and Diversity Forum (EDF) on replacing EU funding for equality and human rights after Brexit



highlights that objectives 8, 9 and 10 [of the EU Structural and Investment Funds Programme] relate directly to equality and human rights and are worth £4.15 billion in the UK between 2014 and 2020.

The target groups for these three objectives are: young people not in education employment or training (NEETs), older people aged 50 or over, women, disabled and minority ethnic people, people with multiple complex barriers, offenders and ex-offenders. The research found that the ESF budget amounts to £1.4 billion in Scotland, Wales and Northern Ireland. Around 60% of ESF-funded projects identifiably target people with one or more protected characteristic under the Equality Act 2010.

It also found that more than half of ESF funds focused on employability, skills and experience. EAAL Committee has previously highlighted concerns about the future of ESF funding as part of its inquiry into the future of regional policy in Wales. The Committee also recently recommended that “the Welsh Government [should] seek clarity from the UK Government on how the proposed Shared Prosperity Fund would be allocated and administered”.

**26.** We **recommended** that the Welsh Government considers commencing the Equality Act’s socio-economic duty, which would require public bodies to make decisions in a way that tackles inequalities of outcome caused by socio-economic disadvantage. Scotland is currently in the process of introducing the duty.

**27.** The Welsh Government **told us** that “we will be reviewing our position in the context of our Rapid Review of Gender Equality in Wales and exploring the matters that informed the Scottish Government’s decision to implement the duty. We will need to consider carefully whether it would be right to impose additional duties and reporting responsibilities on Welsh Public Bodies particularly when we have the ground breaking legal duty within the Well-being of Future Generations (Wales) Act 2015. We will continue to engage with the Equality and Human Rights Commission as we take this work forward.”

[Word count: 2464/2500]



## Annex 1: Committee membership

John Griffiths (AM), Chair, Welsh Labour, Newport East

Gareth Bennett AM, United Kingdom Independence Party, South Wales Central

Janet Finch-Saunders AM, Welsh Conservatives, Aberconwy

Siân Gwenllïan AM, Plaid Cymru, Arfon

Rhianon Passmore AM, Welsh Labour, Islwyn

Jenny Rathbone AM, Welsh Labour, Cardiff Central

Jack Sargeant AM, Welsh Labour, Alyn and Deeside

Bethan Sayed AM, Plaid Cymru, South Wales West

## Annex 2: Relevant committee work

### Communities, Equality and Local Government Committee (2011-2016)

- [Fourth Assembly Legacy report](#)
- [Poverty in Wales – community based approaches to tackling poverty](#)
- [Poverty in Wales- poverty and inequality](#)
- [The future of equality and human rights in Wales](#)
- [Welsh Government Budget scrutiny 2016/17; 2015/16; 2014/15; 2013/14 and 2012/13](#)

### Equality, Local Government and Communities Committee

- [Making the economy work for people in low incomes](#)
- [Asset based approaches to poverty reduction](#)
- [Communities First – Lessons Learnt](#)
- [Rough Sleeping in Wales](#)
- [Refugees and Asylum Seekers in Wales](#)
- [Human rights in Wales](#)
- [Welsh Government budget scrutiny 2018/19; 2017/18](#)

John Griffiths, AM  
Chair of the Equalities, Local Government  
and Communities Committee  
National Assembly for Wales

14 September 2018

Dear John

Thank you for your letter of 17 August asking me to clarify Welsh Government's response to some of your Committee's recommendations in the report 'Making the economy work for people on low incomes in Wales'.

You asked for clarity on why the Welsh Government believes that a dedicated tackling poverty strategy is not required. Our National Strategy *Prosperity for All* provides a framework for our whole-government approach to increasing prosperity and addressing the root causes of poverty in a more effective, joined-up way.

We want to avoid separate strategies that fail to take a holistic approach to complex issues. We can only effectively address the long-term challenge of poverty by joining up everything we do. In terms of measuring progress, the National Indicators underpinning the Well-being of Future Generations Act will help measure our progress as a country towards achieving the seven well-being goals.

Many of these indicators will help us assess progress in tackling poverty. They will measure for example, relative poverty, material deprivation, levels of employment and healthy lifestyles amongst others.

Since devolution, Welsh Government has introduced a range of strategies, policies and programmes to promote prosperity and to prevent and mitigate poverty but, despite these, the overall prevalence of poverty has not fundamentally altered. Poverty in Wales remains stubborn and persistent.

It was clear that the best levers we have for tackling poverty are our long term interventions in building human capital, strengthening our infrastructure and boosting our economy.

As a consequence, when the Tackling Poverty Action Plan came to an end in 2016, the decision was taken not to renew it. It was felt that our approach to tackling poverty should

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

[Gohebiaeth.Ken.Skates@llyw.cymru](mailto:Gohebiaeth.Ken.Skates@llyw.cymru)  
[Correspondence.Ken.Skates@gov.wales](mailto:Correspondence.Ken.Skates@gov.wales)

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.

not be determined by a separate strategy; it should be inherent in the way that government and its partners work and deliver for the people of Wales.

Recognising that reducing levels of poverty and growing our economy are interdependent, the decision was taken to use our National Strategy, *Prosperity for All*, to set out those actions we will take as a government to create the conditions and opportunities for people and communities to succeed, flourish and thrive, especially in financial terms. The National Strategy takes a long term view, laying the foundations for greater equality of opportunity and fairer distribution of income for future generations.

The fundamental commitments of the Tackling Poverty Action Plan - to prevent poverty, especially through investment in giving children the best possible start in life; to help people to improve their skills, recognising that the best route out of poverty is through employment; to take action to mitigate the impact of poverty here and now – are embodied in our National Strategy.

The Committee will be aware that the Children and Families (Wales) Measure 2010 places a statutory duty on Welsh Ministers and named public bodies to publish a child poverty strategy which sets objectives and outlines actions for tackling child poverty in Wales.

The objectives of the Welsh Government's Child Poverty Strategy are wide reaching, taking an holistic approach to improving outcomes for low income households with actions focussed on the whole family and the communities in which they live. They focus on reducing the number of children living in workless households, increasing the skills of parents and young people, reducing inequalities in education, health and economic outcomes, creating a strong economy and labour market and action to increase household income.

Our National Strategy supports the delivery of the objectives of our statutory Child Poverty Strategy and responsibility for delivering progress sits with every Cabinet Secretary and every Minister.

Secondly you have asked whether Welsh Government will consider undertaking an analysis of the risks and benefits of devolving the administration of Universal Credit.

The Welsh Government rejected this recommendation on the basis that it does not support the devolution of welfare benefits or their administration to Wales. As a matter of principle we should all be entitled to an equal claim from our welfare state. The needs of citizens within the UK, wherever they live, should be equally met. The approach to the devolution of welfare benefits to the Scottish Government has transferred the financial risk associated with the demand for welfare benefits growing faster per head in Scotland than in England from the point of devolution. For Wales this would pose a significant financial risk.

As set out in our original response, the Welsh Government does wish to see all Universal Credit claimants being offered an informed choice regarding how their Universal Credit is paid to them through flexible payment options. These options would see more frequent payments, more than just once per month, the housing costs being paid directly to the landlord and split payments for those who wish to see this.

Universal Credit is generally paid in England, Wales and Scotland to claimants monthly in arrears. This includes the housing element, with claimants responsible for making payments to their landlord to cover their housing cost liabilities. This is provided by regulation 47 of the Universal Credit, Personal Independence Payment, Jobseeker's

Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013 (SI 2013/380). Payments can be paid to someone on behalf of the claimant where appropriate under regulation 58, SI 2013/380. The Alternative Payment Arrangement regime has been established under this provision.

Currently for individuals and couples claiming Universal Credit in Wales, England and Scotland, the Department for Work and Pensions (DWP) have a number of ways to support the most vulnerable claimants through the Alternative Payment Arrangements (APAs) process. These APAs can be:

- Direct Payment of the Housing Costs of Universal Credit to a landlord;
- More frequent payment of Universal Credit than monthly; and
- Split payment arrangements of Universal Credit for couples.

At the start of a claim for Universal Credit everyone has to have an initial face to face interview with their Job Centre Work Coach. It is at this initial meeting when the details for any Universal Credit claim are verified, such as rental information, that there is a mechanism in place for the Work Coach to trigger a discussion with the claimant (s) regarding how Universal Credit will be paid, or if APAs need to be put in place.

For example, a claimant would be asked if their Housing Benefit was previously paid direct to their landlord, or whether the claimant has two months of rent arrears. If the claimant answers 'yes' to either of these questions then the Work Coach will refer them for an APA. This would normally mean that the housing costs in Universal Credit would then be paid direct to the landlord.

There are other times when a conversation between the Work Coach and the claimant can trigger a discussion about APA's, for example, when:

- a claimant requests and Advance payment and has requested support with Personal Budgeting Support;
- if the claimant has a change of circumstances where they have secured a tenancy after previously being homeless;
- if the customer has any Mental Health issues or has difficulty managing a budget (this might be asking for Food Bank Vouchers);
- in certain circumstances the landlord will automatically request a 'managed payment' of housing costs direct to them if they are aware that the claimant has a history of rent arrears OR to prevent any rent arrears occurring;

DWP has explained that this is not prescriptive of the conversation which can trigger a discussion about APAs with the claimant, this can occur at any point during an individual's/couples 'claim' for Universal Credit.

The Minister for Housing and Regeneration has repeatedly written to DWP Ministers asking for greater consideration for proactively offering these 'payment' choices on a more informed basis to claimants in Wales, and has been advised that the APAs process is there in place for this purpose. However, there does appear anecdotally to be an inconsistent approach to how APAs are being applied by the DWP across Wales. The Minister has also asked the Secretary of State for Work and Pensions to make Universal Support for people who claim Universal Credit available as widely as possible to help those people who are experiencing difficulties in managing their finances, and for those who are struggling with digital access.

Further to my previous response, we have now established a joint Board with the DWP, which is looking at the operational implementation issues for Universal Credit. I can confirm that this Board will look as a priority at what more can be done to ensure that the awareness and communications on the availability of APAs are stepped up and improved, particularly for landlords, advisory services and third sector organisations, which are supporting vulnerable people, including the homelessness and housing sector.

The Scottish Government do not administer payments for Universal Credit, these are administered by the UK Government through its Department for Work and Pensions (DWP). Following the Smith Commission, sections 29 and 30 of the Scotland Act 2016 has given some powers to the Scottish Government to introduce certain flexibilities in relation to the payment of Universal Credit in Scotland. Collectively these are known as Universal Credit Flexibilities. In summary, these powers allow the Scottish Government to:

- vary the frequency of payment;
- pay the relevant housing costs within the Universal Credit award direct to the landlord;
- decide the criteria when a split payment to joint claimants can be made; and
- amend the housing cost calculation for claimants living in rented accommodation, including varying the spare room subsidy reduction.

These flexible payment options can only commence after the first payment of Universal Credit has been made, and only if claimants are not considered for an Alternative Payment Arrangement as per the DWP's eligibility criteria.

Thirdly, you asked why Welsh Government did not fully accept recommendation 2. I recognise the Committee's view that providing clear deliverables and milestones supports the realisation of the Economic Action Plan and Employability Plan. I am also mindful of aligning how we report progress within the overarching framework provided to both plans and to our wider activity by the national strategy, Prosperity for All. I think it important that we give recommendation 2 further consideration within that context and that is why, at this stage, the Welsh Government has not fully accepted the recommendation.

You have also asked for further details on how the location strategy will relocate jobs to areas in Wales that will lose EU structural funding, and whether there are any plans to review the strategy.

In shaping future plans for our own office estate our commitment remains to be located across Wales ensuring benefits are spread through an appropriate distribution of presence and employment nationally.

Our strategy positions our administrative estate right across the main geographical areas of Wales with sizeable modern offices established in Merthyr Tydfil, Bedwas, Aberystwyth, Carmarthen, Swansea, Caernarfon, Llandudno Junction, and Cardiff. There are no plans in the medium-term to change these locations however we are reviewing options for Welsh Government's future presence in Powys and the South Wales valleys.

It is worth noting too, that in addition to the focus on our own office estate we are also engaged with the UK Government on their location strategies. Following the announcement and now development of the UK Government Hub in central Cardiff, we are looking to establish whether a second hub can be developed in Wales. We are also discussing their Public Bodies Relocation strategy which considers the dispersal of a number of public

bodies and agencies from London and the south east to other parts of the UK, to establish whether any could be relocated to Wales.

Through the work of the National Assets Working Group, which is focussed on making the best use of the wider welsh public sector estate, we are also considering how these forward plans can further support our wider economic regeneration aims.

You also asked about information on the Fair Work Board and I will ask Julie James, Leader of the House to respond separately about the Fair Work Board. I will also ask Mark Drakeford, Cabinet Secretary for Finance to write to you in response to your request for detailed responses to recommendations 14 – 16 following the publication of the procurement review

You have asked for a commitment to detailed responses to recommendations 18, 20, 21 and 22 following completion of the Fair Work Commission's work. The Commission met for the first time on 10 August. On the basis of evidence and analysis the Commission has been asked to make recommendations to promote and encourage fair work in Wales. The Commission has been asked to consider your recommendations as part of its analysis and evidence gathering. The Commission has also been asked to consider and make recommendations as to how we might drive and encourage payment of the voluntary living wage. It is due to report by March 2019.

Finally, you asked for details of the outcomes from the Symposium held on 13 July which went very well. It was well attended by policy makers, academics, employers and training providers. The event allowed experts to review job progression barriers in low-skilled and low-paid work and consider the available evidence on how to promote progression.

The WCPP is currently drafting a report to be published in the autumn. The Welsh Government will formally respond to the WCPP's report recommendations following its publication.

In the meantime, Welsh Government officials are meeting with key foundational economy sector bodies to review current and anticipated future workforce needs as well as taking advice from other experts to consider what support should be provided in the future.

Yours sincerely



**Ken Skates AC/AM**

Ysgrifennydd y Cabinet dros yr Economi a Thrafnidiaeth  
Cabinet Secretary for Economy and Transport





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# Agenda Item 7

By virtue of paragraph(s) vi of Standing Order 17.42

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