

Jane Hutt  
Minister for Social Justice

October 28th 2022

Dear Jane,

Many thanks for your letter dated 28 June 2022 and for your update in relation to recommendation 7 of the report on Debt and the Pandemic and please accept our apologies for the delay in responding.

The Committee notes the reviews of local authority debts (including an evaluation of council tax interventions to support vulnerable people) and the Committee looks forward to receiving these reports by the end of the year.

In terms of evidence from outside Wales and options for further research, the Committee would be interested in work that focuses on international examples of debt bonfires in respect of local property taxes that are similar to Council Tax.

This kind of research would fit with the Welsh Government's ongoing work on reforming council tax – which was recently consulted upon.

Furthermore, research into international examples of debt bonfires in respect of local property taxes that are similar to Council Tax would also usefully inform the Welsh Government's forthcoming local government finance legislation.

In terms of outcomes the Committee would like to see research that could hopefully inform and influence the development of this legislation, as well as future policy in relation to the Council Tax Reduction Scheme. Another outcome that the Committee would like to see explored is the impact high debt burdens can have on individuals and vulnerable households where debt payments form a significant portion of their spending commitments. Such work could consider the relationship between debt alleviation and the prevention of mental health problems including the number of mental health referrals by financial advice charities and other advice organisations.

Finally, it would be helpful for the research to focus on identifying any examples of international best practice, and case studies where countries have targeted help effectively at those who are most in need of support.

The Committee hopes that these suggestions are of assistance to you and we look forward to receiving a response in due course.

Yours sincerely,

A handwritten signature in black ink on a light yellow background. The signature is written in a cursive style and reads "Jenny Rathbone".

**Jenny Rathbone MS**

Chair of the Equality and Social Justice Committee  
Welsh Parliament

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



**Senedd Cymru**  
**Welsh Parliament**