

Agenda Supplement – Equality and Social Justice Committee

Meeting Venue:

Hybrid meeting – Committee Room 5

Meeting date: 11 July 2022

Meeting time: 10.30

For further information contact:

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– Supplementary pack

Please note the documents below are in addition to those published in the main Agenda and Reports pack for this Meeting

2.5 Correspondence from Jane Dodds MS regarding the Committee report on Debt and the Pandemic

(Pages 1 – 3)

Attached Documents:

Letter from Jane Dodds MS – 6 July 2022

2.6 Correspondence from the Counsel General and Minister for Social Justice regarding UK Government proposals to reform the Human Rights Act 1998

(Pages 4 – 5)

Attached Documents:

Letter from the Counsel General and the Minister for Social Justice – 8 July
2022



Jane Dodds

Aelod o'r Senedd dros
Canolbarth a Gorllewin Cymru


Member of the Senedd for
Mid and West Wales


Agenda Item 2.5

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Dyddiad | Date: 6th July 2022

Pwnc | Subject: Debt Bonfire proposals

Annwyl Jenny,

I am writing to you following a letter from the Minister for Social Justice addressed to you in your capacity as Chair of the Equality and Social Justice Committee on June 28th about recommendation 7 in the ESJ committee report Debt and the Pandemic.

In the letter the Minister asks for further clarity on what the committee would aim to achieve through this recommendation.

As the Member who made this recommendation, I have set out some further thoughts overleaf. In order to assess to what extent those outcomes may be achievable, it would be beneficial if the Government could provide information on the number of people affected by debt, how much a proposal to address the council tax debt may cost, and what could be the eligibility criteria.

In responding to the letter from the Minister, I think it would be also useful to pursue widening the scope beyond local authorities to explore whether Welsh Government could purchase a portion of bad debt on the open market in order to 'write off those debts', in addition to using the existing powers available to local authorities in relation to council tax.

My office would also be happy to meet with committee clerks and researchers to consider the recommendation in more detail.

Yn gywir,



Jane Dodds MS

Member of the Senedd for Mid and West Wales
Aelod o'r Senedd dros Canolbarth a Gorllewin Cymru

Debt Bonfire recommendation

Recommendation 7. The Welsh Government should explore the feasibility of introducing 'debt bonfires' in relation to aspects of public sector debt, drawing on evidence from Wales and beyond, and should write to the Committee with its conclusions by the end of June 2022

Possible policy outcomes to explore

- 1. Ensure that those who are most dependent on public services, such as housing support, do not face barriers to accessing services owing to public sector-related debt.**

2018 research from StepChange found that debt had implications for clients being made homeless (11%), being unable to move into a new home (39%), feeling forced to move from their current home (12%) or simply putting up with problems because of the worry of eviction (38%).

The Government should explore how public sector-related indebtedness might have implications for accessing entitlements or support i.e. access to housing support or homelessness entitlements, and how a debt bonfire could be targeted at those individuals who are at greatest risk of further homelessness or indebtedness.

For example, evidence suggests that individuals with social housing rent arrears can sometimes face difficulties in accessing housing support at a later date owing to those historic arrears.

- 2. Reducing the debt burden on individuals and vulnerable households where debt payments form a significant portion of their spending commitments.**

With the growing cost of living crisis, how can the Government ensure that those people with council tax debt (as per the focus of the Minister in her letter) do not face unnecessary additional costs or debt where local authorities try to recoup payments which would push them further into poverty.

Citizens Advice Cymru find that more than a third (38%) of council tax debt clients are living on a negative budget. They also find that regulations governing the collection of council tax arrears can exacerbate financial insecurity. How can a debt bonfire prevent those facing the greatest financial insecurity from facing further indebtedness as a result of council tax collection arrangements?

Jane Dodds

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3. Provide breathing space for people to get control of their debts.

Evidence shows that those in financial difficulties progress to more serious and persistent arrears. A debt bonfire should provide breathing space to allow people to engage with financial support services to prevent an escalation of their financial difficulties.

Previous StepChange Debt Charity research found around 70% of clients living below the poverty line when contractual debt repayments were taken from net household income. StepChange estimate that in just six months a typical StepChange Debt Charity client would see an extra £2,300 added to their debts if creditors applied default interest and charges on all their accounts.

4. Help prevent the mental health pressures on those in debt from worsening owing to growing debt pressures.

Debt has a human cost that grows as financial difficulties mounts. Research from StepChange finds that the distress problem debt creates is linked to poor mental health and can have negative consequences for family life and employment.

Can a debt bonfire help those who may be referred by financial support organisations for mental health and wellbeing support?

Agenda Item 2.6

Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

Mick Antoniw AS/MS

Y Cwnsler Cyffredinol a Gweinidog y Cyfansoddiad
Counsel General and Minister for the Constitution



Llywodraeth Cymru
Welsh Government

Jenny Rathbone MS
Chair, Equality and Social Justice Committee
Equality and Social Justice Committee
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8 July 2022

Dear Jenny,

Thank you for your letter dated 14 June 2022, regarding the UK Government's proposal to replace the Human Rights Act 1998 with a Bill of Rights. We have also noted the response sent to the Deputy Prime Minister from the Equality and Social Justice Committee, dated 22 March 2022. We fully share your disappointment that the consultation which preceded the introduction of this Bill contained little reference to devolution, particularly relating to Wales. This point has been highlighted in our own communications with the Lord Chancellor.

The Welsh Government did request further information in relation to the proposed content of the Bill; however, we were not provided with any advance sight except for five clauses which were largely meaningless without sight of the rest of the Bill.

As you know, the Bill of Rights was introduced in the House of Commons on 22 June. We issued a fresh Written Statement the same day: [Written Statement: UK Government Bill of Rights \(22 June 2022\) | GOV.WALES](#)

Now we have sight of the Bill, we will study the contents very carefully. This will enable us to consider how far our concerns have been considered, particularly in relation to devolution, and then assess the potential impact of these UK Government

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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.

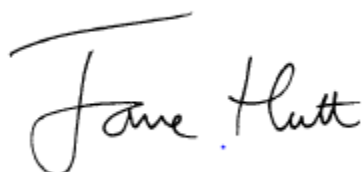
We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

proposals on our own ambitions with regard to strengthening and advancing equality and human rights in Wales.

Despite our concerns about the impact of these UK Government proposals, we have accepted an invitation from the Lord Chancellor to continue in discussions as the Bill of Rights progresses through Parliament.

The Welsh Government has been and remains very clear: the proposed Bill of Rights is both unwelcome and unnecessary. It is our view that the interests of the people of Wales are best protected by retaining the Human Rights Act 1998 in its current form. We will consider all appropriate action to ensure any proposals do not detrimentally affect Wales' progress in the field of equality and human rights. Most immediately, we will need to review the content of the Bill of Rights to inform our thinking on the most appropriate way forward.

Yours sincerely,



Jane Hutt AS/MS

Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

Mick Antoniw AS/MS

Y Cwnsler Cyffredinol a Gweinidog y
Cyfansoddiad
Counsel General and Minister for the
Constitution