

Agenda – Local Government and Housing Committee

Meeting Venue:

Committee Room 5

Meeting date: 24 May 2023

Meeting time: 09.00

For further information contact:

Manon George

Committee Clerk

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Pre meeting (09:00–09:15)

1 Introductions, apologies, substitutions and declarations of interest

2 Papers to note

(Page 1)

2.1 Housing Ukrainian Refugees – Response from the Welsh Government to the Committee's report

(Pages 2 – 6)

2.2 Building Safety – Letter from the Minister for Climate Change

(Pages 7 – 9)

2.3 Provision of Sites for Gypsy, Roma and Travellers – Letter from the Equality and Social Justice Committee to the Minister for Social Justice

(Pages 10 – 11)

2.4 Legislative Consent: Non–Domestic Rating Bill – Letter from the Legislation, Justice and Constitution Committee to the Minister for Finance and Local Government

(Pages 12 – 13)

3 Motion under Standing Order 17.42(ix) to resolve to exclude the public from items 4, 6 and 7 of the meeting



4 Local Authority Library and Leisure Services – consideration of key issues

(09:20–10:00)

5 Local Authority Library and Leisure Services – Evidence from the Deputy Minister for Arts, Sport and Tourism

(10:00–11:15)

(Pages 14 – 50)

Dawn Bowden MS, Deputy Minister for Arts, Sport and Tourism

Jason Thomas, Director Culture, Sport and Tourism, Welsh Government

Neil Welch, Head of Sport, Welsh Government

Mary Ellis, Head of Libraries, Archives & Resilience, Welsh Government

6 Local Authority Library and Leisure Services – consideration of key issues

(11:15–11:45)

7 Legislative Consent Memorandum for the Non-Domestic Rating Bill

(11:45–12:00)

(Pages 51 – 59)

Agenda Item 2

Local Government and Housing Committee

24 May 2023 – papers to note cover sheet

Paper no.	Issue	From	Action point
Paper 1	Housing Ukrainian refugees	Welsh Government	To note
Paper 2	Building safety	Minister for Climate Change	To note
Paper 3	Provision of sites for Gypsy, Roma and Travellers	Equality and Social Justice Committee	To note
Paper 4	Legislative Consent: Non-Domestic Rating Bill	Legislation, Justice and Constitution Committee	To note

Agenda Item 2.1

Written Response by the Welsh Government to the report of the Local Government and Housing Committee entitled Housing Ukrainian Refugees

I would like to thank the members of the Local Government and Housing Committee for their report on Housing Ukrainian Refugees in Wales. We, as Welsh Government, remain committed to providing continued support to Ukrainians as they flee their home country and seek refuge in Wales.

Our budget, which was passed in the Senedd in the week commencing 6 March, outlined £40m of investment to support people from Ukraine settling in Wales in this financial year. Since the UK Government made its announcement in December to cut the funding they provide to local authorities to levels far below what is needed or could be mitigated, we have worked closely with local authorities to maximise the impact of the funding being made available by Welsh Government. I announced our plans for host top up payments, move on support and a discretionary fund in March and am delighted that the recommendations in your report align very closely with these arrangements. The allocation of this funding underlines our ongoing commitment, as a Nation of Sanctuary, to integrate those we have already welcomed and resettle those who are still to arrive.

Detailed Responses to the report's recommendations are set out below:

Recommendation 1

The Committee recommends that:

The Welsh Government should continue its efforts to persuade the UK Government to increase the monthly payment to all hosts to £500 or, if this is not possible, consider funding bridging payments for hosts in Wales to ensure all receive a monthly payment of £500.

Response: Accept

The UK Government has maintained the position that monthly host payments for the first year that a Ukrainian arrival has been in the UK will remain at £350, increasing to £500 only at the start of the second year. Despite Ministers from both Wales and Scotland repeatedly pressing for an uplift, the UK Government has been firm in their response.

We as Welsh Government recognise the very important role that our hosts have played and will continue to play in supporting those fleeing Ukraine and welcoming them into their homes. Considering this and the current cost of living crisis, we feel that it is essential to create equity in payments amongst our Welsh hosts. The Welsh Government has therefore already committed £2.5m of our 2023-24 Homes for Ukraine funding envelope to fund monthly top up payments of £150 to those that would otherwise only be eligible to receive £350 per month. This will ensure that all hosts are eligible to receive £500 per month, regardless of how long those being hosted have been in the UK. Where a local authority decides to increase thank you payments above £500, it is the local authority's responsibility to fund any further top ups from their budget. This increase is being promoted through an integrated communications campaign to generate more hosts to come forward and offer accommodation.

I will continue to press UK Government on the longer-term arrangements for host payments.

Financial implications: We have committed £2.5m from our £40m budget in 2023-24 to meet the costs of topping up thank you payments to hosts to £500.

Recommendation 2

The Committee recommends that:

The Welsh Government should provide an update to the Senedd as a matter of urgency to clarify its position on welcome centres.

Response: Accept

Initial accommodation provided through our super sponsor scheme was only ever intended to provide temporary accommodation to those fleeing Ukraine and is not intended to serve as an indefinite solution. It is a priority to support arrivals into longer term accommodation solutions, so that they are able to settle and fully integrate themselves within our communities. The Welsh Government has worked closely with local authorities to agree an initial accommodation move on strategy and plan for the 2023-24 financial year, that provides for the needs of Ukrainian arrivals and the communities they live in. The programme of accommodation closures is part of a focused and coordinated plan involving Welsh Government, local authorities, the third sector and other key partners to move people on to longer term accommodation solutions. This plan is already underway with 16 settings having already closed, with the majority of Ukrainian guests in those settings moving into longer term accommodation including hosting arrangements, private rented sector or transitional accommodation. In the small number of cases where that did not happen, those Ukrainian guests were moved into alternative initial accommodation where efforts continue to support people to move into longer term accommodation.

No guests will be left without accommodation resulting from the closure of an initial accommodation setting and no-one will be made street homeless by our plans to reduce capacity in our super sponsor initial accommodation. As we close sites, we work intensively with local authorities and their guests to ensure suitable alternative offers are made. In addition to our anticipated allocation of the UK Government's £150 million Housing Support grant which will be used to support Ukrainian arrivals, £2m of our 2023-24 funding envelope has been specifically earmarked to support local authorities in moving Ukrainians on to longer term accommodation.

Financial implications: there are no financial implications associated with the provision of updates to the Senedd.

Recommendation 3

The Committee recommends that:

The Welsh Government should provide an update to the Senedd on its intentions around the use of modular accommodation to provide homes for people from Ukraine. This should include detail of the Welsh Government's expectations on local authorities to develop such accommodation, the funding available to them and the longer term intentions for its use.

Response: Accept

The Transitional Accommodation Capital Programme (TACP) was established in July in response to wider housing pressures to help bring forward more good quality longer term accommodation at pace. In the 2022-23 financial year up to £76.5m has been provided to local authorities and registered social landlords to help everyone in housing need including Ukrainians. Types of projects being supported with this funding include bringing empty properties back into use, remodelling and conversions, acquisitions and the use of modular accommodation on a meanwhile use basis. Local authorities and RSLs decide which projects they bring forward for funding and how this transitional accommodation is then used based on their local needs and circumstances. Projects funded through TACP must meet the minimum standards set out in the TACP standards framework which is intended to ensure a flexible and responsive approach to bringing forward more good quality accommodation at pace.

In terms of modular accommodation, Welsh Government uses existing and well-established networks to facilitate the sharing of best practice around modular builds for transitional accommodation, such as the Innovative Housing – Community of Practice which meets bi-monthly to share learning and best practice from schemes funded under the Innovative Housing

Programme. In addition, we will continue to encourage collaboration and learning in via our regular housing leadership Cymru meetings and joint meetings with Social Landlords in Wales.

Financial implications: there are no financial implications associated with the provision of updates to the Senedd.

Recommendation 4

The Committee recommends that:

The Welsh Government should develop a long-term plan to ensure sufficient provision of suitable move-on accommodation for people from Ukraine.

Response: Accept

The Welsh Government is committed to assisting local authorities in their efforts to support Ukrainian arrivals to move on from initial accommodation into longer term accommodation.

In May 2022 all local authorities and the Welsh Government agreed the [Homes for Ukraine Accommodation Framework](#). This set out how Ukrainians who arrive via the Welsh Government super sponsor route and who are accommodated in initial accommodation would be dispersed across Wales. As part of this every local authority agreed a population share of Ukrainian arrivals under the super sponsor route that they would support into longer term accommodation as part of our Team Wales approach. This recognised the uneven distribution of initial accommodation across Wales and provided assurance to the local authorities supporting initial accommodation in their local area that they would not have responsibility for the longer-term accommodation of all Ukrainians arriving via the super sponsor route to initial accommodation. Our initial accommodation move on plan has been developed in partnership between Welsh Government and local authorities. The plan prioritises move on whilst being sensitive to the wider housing pressures across local authorities and helps to ensure that people are fairly distributed across all local authorities when closing sites. The population share has just been updated to reflect wider housing pressures and is currently being ratified by individual local authorities.

As part of this effort, the Welsh Government has already committed £2m of the 2023-24 Homes for Ukraine funding envelope to specifically target move-on support within Wales. £1.5m of this fund will be distributed to local authorities based on an agreed population share model and local authorities will have discretion to determine how best to use it to support move on, depending on local circumstances. For example, a local authority might decide to use the funding to help Ukrainian arrivals enter the private rental sector by paying the initial bond and first month(s) rent. The remaining £500k of this budget will be held centrally to provide national move on support for more complex households, for example larger families where longer-term accommodation options may be more limited.

Recognising the wider housing pressures and the need to support people to move from temporary accommodation into more settled housing, the Minister for Climate Change established the Transitional Accommodation Capital Programme (TACP) in July. The aim of TACP is to support local authorities and registered social landlords to deliver more good quality longer term accommodation at pace to support everyone in housing need – including Ukrainians. In the 2022-23 financial year up to £76.5m of funding has been made available which will see 737 additional homes delivered. Further funding in 2023-24 and 2024-25 will take this total to over 1300 properties.

In addition, among the ways the £40m will be spent includes £2.5m to allow local authorities to increase ‘thank you’ payments to people in Wales hosting Ukrainian guests – up from the current £350 to £500 per month. We have recently launched a new national communication campaign to encourage new hosts to come forward to support guests.

The Welsh Government will continue to work closely with local authorities to tackle the integration issues that coincide with long term settlement.

Financial implications: Our long term plan has been developed and costs associated with this can be met within the £40m budget allocated for 2023-24 as set out above.

Recommendation 5

The Committee recommends that:

The Welsh Government should consider whether some of the £40 million it has allocated in its budget for 2023-24 to help local authorities to continue delivering services to those fleeing the war in Ukraine, could be used to make up the difference in the integration tariff.

Response: Accept

The reduction in the integration tariff from £10,500 to £5,900 is significant and in the absence of year 2 integration and education tariffs we are unable to make the same level of funding available to local authorities from our own resources which will sadly not stretch that far. In lieu of a year 2 tariff, we expect to receive a share of the UK Government's £150 million Housing Support grant. Whilst this will provide a small level of support to bridge this gap, it will still fall very far short of what local authorities would otherwise have received had the UK Government continued to provide tariffs for year two, in line with other refugee and resettlement schemes.

Nonetheless, whilst the UK Government has cut the vital funding needed by local authorities to levels far below what can be mitigated, we remain determined to support councils to help everyone who needs a home in Wales. We are committed to assisting local authorities to deliver services for those fleeing the war in Ukraine and whilst the majority of the £40m Homes for Ukraine budget will be allocated to the provision of initial accommodation, the majority of the remainder will be allocated directly to local authorities to enable them to provide support where it is most needed in their area.

We have therefore taken the decision to use elements of our Homes for Ukraine budget to provide targeted support where local authorities have indicated that the loss of tariff funding would be most significant and further support is most needed. In addition to providing host top up and move on support funds, a discretionary fund of £1.95m has been earmarked to provide targeted support within local authorities, to help tackle integration issues and to bridge some of the gap that the reduction in integration tariff has left. This money will be used to deliver funding directly to councils through two tranches of £800k each, which will be distributed across all 22 local authorities based on the number of Ukrainians in each one. A further £100k of the budget will be used to extend the Welcome Ticket travel scheme. The remaining £250k will be held back, providing scope for local authorities to present particular pressures which need funding to meet local demand.

Financial implications: we have already planned to provide additional support to local authorities and this support can be met within our £40m budget in 2023-24 as set out above.

Recommendation 6

The Committee recommends that:

The Welsh Government should provide an update to the Senedd on its discussions with the UK Government on obtaining clarity as to how much of the new £150 million funding for 2023-24 will be made available to Wales. The update should include details of how the funding will be allocated.

Response: Accept

The new £150m funding pot, or Homelessness Prevention Fund, is provided as an alternative to a Year 2 tariff for Homes for Ukraine, though it comes nowhere near replacing the lost revenue for Welsh public services. The way in which this fund will be distributed, and any conditions attached to this money have been consistently discussed through senior officials and regular Ministerial Trilateral meetings with the UK Government and Scottish Government lead Ministers. I have written with the Scottish Government Minister and separately with the Leader of the WLGA to the Department of Housing, Levelling Up and Communities Secretary of State to seek clarity on the quantum and any conditions attached to the funding. I have now met with the UKG Minister and an indicative allocation has been outlined, which is in line with internal expectations that were based upon published Homes for Ukraine arrivals data and a national apportionment of the fund. Once the Wales allocation of this fund has been formally agreed, we will work closely with local authorities to ensure this funding helps LAs to meet their population share. As new information becomes available on this allocation, the Senedd will be updated.

Financial implications: there are no financial implications associated with the provision of updates to the Senedd.

Julie James AS/MS
Y Gweinidog Newid Hinsawdd
Minister for Climate Change



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref JJ/PO/129/2023

John Griffiths MS
Chair, Local Government and Housing Committee
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5 May 2023

Dear John,

Thank you for your letter regarding building safety.

Building Safety in Wales continues to be a priority for this Government. It is critically important that residents feel safe and secure in their homes.

As you will be aware, this Government, unlike in England, has taken a different and more holistic approach to building safety by not limiting access to funding for buildings with cladding, instead considering fire risks arising from both the exterior and interior of buildings of 11m and above. Intrusive surveys are commissioned and funded by the Welsh Government on behalf of leaseholders, ensuring a clear, consistent, and comprehensive understanding of building safety issues across Wales.

Following the completion of the intrusive survey, a report is issued to the Responsible Person that sets out, in the consultant's opinion, whether the issues identified relate to construction faults, maintenance or leaseholder actions. The information that all surveys need to be completed before the reports are sent out is incorrect, the reports are issued to the Responsible Person as and when they are completed.

I believe the Freedom of Information request referred to in your letter asked whether any payments had been made to refund leaseholders retrospectively of survey costs incurred prior to the Welsh Building Safety Fund opening in September 2021. The response to which was that a total of £75,590.40 had been requested from five applicants to cover survey costs. Three of these claims have been paid to date and the remaining two claims will be paid subject to the receipt of eligible paperwork. This is just one mechanism in which we are funding survey costs. As mentioned above, we have commissioned our own consultant to undertake surveys, and have provided c. £1,400,000 for this work to date.

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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.

As well as funding the survey work, the Welsh Building Safety Fund will also be used to:

- Remediate social sector housing - £78.5 million has been allocated to date, with works completed on 26 buildings, and works being undertaken on a further 79 buildings.
- Remediate an initial cohort of 28 private sector buildings where the developer is unknown, has ceased trading, or the building was constructed more than 30 years ago. Up to £100 million has been allocated for this purpose.
- Fund the Leaseholder Support Scheme, a free to use service designed to help people who are in, or facing significant financial hardship, as a direct result of fire safety issues affecting their property. This scheme provides free independent financial advice and if appropriate, the option for leaseholders to sell their property and either move on or rent it back.
- Deliver a developer loan scheme, with an initial amount of £20 million. This is available to developers who have signed up to a legally binding contract with the Welsh Government. The intention behind the loan is to minimise any delay to works which would extend the suffering of leaseholders who find themselves in buildings with fire safety issues.

For the reasons you outline, reforming the current system of building safety to establish a fit for purpose building safety regime, is a key commitment for this Government. Building Safety in Wales must both address our present situation and undertake fundamental reform of the building safety regime to ensure the problems we face now cannot arise again in the future.

This is a highly complex area of work, and whilst it is important that we work at pace to find solutions that will resolve this crisis, it is as equally important that those solutions are the right ones.

Over recent months, we have worked closely with stakeholders from both the public, third and private sector, as well as managing agents, to further test, shape and refine our policy development. CladDag have been directly consulted on our building Safety reform proposals and were pleased with our intentions to ensure disabled residents were consulted and have offered to help us source disabled participants for our focus groups.

Our pilot scheme for Welsh Government led remediation of 'orphan buildings', will ensure that the impact on all leaseholders and residents is fully considered when planning and preparing for these works, including those with additional requirements. The programme will identify the fire safety issues on, and in the buildings, with the objective of making the building as fire safe as possible for all residents. But, just as every building is unique so can be the needs of individual leaseholders. Support should be in place for those who have additional needs in the form of a Personal Evacuation Plan. This plan should be discussed with their support workers or social services.

I will also raise the experiences and examples provided by CladDag when I next meet with the Strategic Stakeholder Group to raise awareness amongst relevant members, specifically those such as the Fire and Rescue services.

The collaborative approach adopted in Wales has proved successful in engaging with and holding developers to account, with a number of developers having already started remediating buildings for which they are responsible. In March I announced that all but two of the Developers signed up to the Welsh Government Pact, had now signed the formal legal documentation. Of the remaining two developers, Bellway have confirmed their intention to sign in writing, and have indicated they will do so by the end of April, whilst St Modwen have confirmed they have no i buildings in-scope in Wales.

Each developer will have 30 working days from the date of signing to provide their detailed remediation plans. The legal document also requires developers to effectively engage with leaseholders/residents and managing agents, and monitoring arrangements to be put in place so progress can be measured. My officials will work with developers to ensure that they have fully considered the needs of disabled leaseholders during the remediation process.

Please be assured that I am committed to addressing building safety in Wales and my officials continue to develop our building remediation programme, alongside a significant programme of reform to establish a fit for purpose building safety regime in Wales.

Yours sincerely,



Julie James AS/MS
Y Gweinidog Newid Hinsawdd
Minister for Climate Change

**Equality and Social Justice
Committee**

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Jane Hutt MS
Minister for Social Justice

May 17 2023.

Dear Jane,

Site provision for Gypsy, Roma and Travellers

Ensuring the provision of sites meets the needs of the Gypsy and Traveller community is of considerable interest to our committee. We have been concerned by the lack of progress on delivering sufficient culturally-appropriate site provision for Gypsy, Roma and Travellers, and that no allocation has been spent (or is forecast to be spent) in the 2022-23 financial year from the Gypsy and Traveller Site Capital Grant, despite an allocation of £3.690m.

Through our work on the Anti-racist Wales Action Plan we have learned that there has been little progress relating to the review of the local authority Gypsy and Traveller Accommodation Assessments (GTAA). With the next round of GTAAs to be completed in 2024, the outstanding analysis is a matter of urgency.

We have been particularly concerned to hear that a lack of resources within the Equality Division and a high turnover of staff may have contributed to these delays and could relate to the reason why no grant funding has been made available.

We would therefore welcome a response to the following:

1. What framework is in place for reviewing the GTAA and when will they be completed? How will the findings be communicated to third sector organisations?
2. What resources are available to carry out these reviews?
3. What impact does the absence of approval of a local authority approval of its GTAA have on its ability to apply for grant funding for new sites or existing site improvements?
4. What progress has been made to review the effectiveness of the GTAA process and possible ways in which it could be strengthened?
5. What progress has been made to deliver the actions on site provision set out in the Anti-racist Wales Action plan, particularly actions to ensure existing legal mechanisms are fully utilised to ensure compliance with existing legislation and a three-year pilot to provide advice to those seeking to develop private sites.



We have heard that the situation is now more serious than when the Local Government and Housing Committee carried out its inquiry into the provision of sites for Gypsy, Roma and Travellers in summer 2022. It is vital that we are in a position to understand and meet the needs of the community.

I would welcome a response by May 31 2023. I am copying this letter to the Chair of the Local Government and Housing Committee.

Yours sincerely,

A handwritten signature in black ink on a light yellow background. The signature reads "Jenny Rathbone" in a cursive script.

Jenny Rathbone MS
Chair, Equality and Social Justice Committee

—
**Legislation, Justice and
Constitution Committee**

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Rebecca Evans MS
Minister for Finance and Local Government

18 May 2023

Dear Rebecca

The Welsh Government's Legislative Consent Memorandum for the Non-Domestic Rating Bill

At this week's meeting we discussed the Welsh Government's Legislative Consent Memorandum for the Non-Domestic Rating Bill (the Memorandum).

In order to fully inform our consideration of the Memorandum before we report to the Senedd, I would be grateful if you would respond to the questions in the Annex to this letter by 1 June 2023.

I am copying this letter to the Counsel General and Minister for the Constitution, and to the Local Government and Housing Committee, the Economy, Trade and Rural Affairs Committee, and the Finance Committee.

Yours sincerely,



Huw Irranca-Davies
Chair

ANNEX

Question 1: At various places in the Memorandum (including paragraphs 4, 6, 7 and 63) you state that the Welsh Government has sought and requested provisions for Wales in the Bill. Can you confirm when collaborative discussions began with the UK Government and when provisions for Wales in the Bill were formally sought.

Question 2: At paragraphs 45 to 47 of the Memorandum you note the delegation of powers in relation to clause 13 and Part 4 of the Schedule. You state that "There was insufficient time prior to the introduction of the Bill to reach firm agreement on the appropriate delegation of powers to Welsh Ministers". You also state that the Welsh Government continues to engage with the UK Government and "further discussions around these specific powers [are] anticipated throughout the passage of the Bill".

a) Given the commentary we have highlighted in question 1 – that there appears to have been collaborative working on the Bill – please would you provide further clarity as to how and why there was "insufficient time prior to the introduction of the Bill to reach firm agreement on the appropriate delegation of powers to Welsh Ministers".

b) We note that the Bill is likely to complete its passage through the House of Commons by the end of May, after which it will proceed to consideration by the House of Lords. Should your discussions with the UK Government result in amendments being made to the Bill during Lords' consideration which provide new delegated powers to the Welsh Ministers, please would you confirm that you will lay the required supplementary legislative consent memorandum (containing full details of all relevant changes made to the Bill) in a timely fashion to allow Senedd Committees sufficient time to undertake their scrutiny.

Question 3: At paragraph 39 of the Memorandum you note that several provisions in clause 15 of the Bill apply in relation to Wales. In particular, you state that subsection 3(d) "alters the procedure for making regulations from made affirmative to draft affirmative". This regulation-making power, and the made affirmative scrutiny procedure attached to it, was delegated to the Welsh Ministers via the *Local Government and Elections (Wales) Act 2021*. No detailed explanation is given as to why you are using a UK Bill to change (by downgrading) a scrutiny procedure for a delegated power which the Senedd itself only approved two years ago. Please would you provide a thorough explanation as to why the changes introduced by clauses 15(3)(d) and 15(4) are being made.

Agenda Item 5

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

Document is Restricted

Evidence paper – Libraries and Leisure Services

Introduction

1. This Committee inquiry into library and leisure services is welcome as both libraries and leisure services are key, in different ways, to the health and well-being of our nation. However, it comes at a time of significant challenges for public services relating to a general squeeze on public spending following more than a decade of austerity, increased energy costs, and against a backdrop of a slow recovery from the impact of the Covid pandemic.
2. We recognise the critical role local government plays in delivering public services and the shared ambition we have for local government to be empowered to maximise the impact it has in the lives of citizens.
3. In recognition of this, the Welsh Government has increased core revenue funding and non-domestic rates to Local Authorities in 2023-24 to £5.5bn from £5.1bn in 2022-23 to spend on delivering key services. This equates to an increase of 7.9% or £403 million on a like-for-like basis compared to the current year. We recognise that given the ongoing levels of inflation this will still leave authorities facing difficult choices but it is nevertheless a significant increase building on a significant increase the previous year . No Authority receives less than an 6.5% increase.
4. The un-hypothecated capital funding provided to Local Authorities may also be used to support sports and social facilities by Local Authorities in this way if Authorities consider it is appropriate to do so. Funding is also provided through the Local Authority buildings capital grant introduced from 2023-2024 which may also benefit sports or cultural buildings within the Local Authority estate.

Library services

5. Libraries contribute to a variety of national and local government priorities including health and well-being, digital inclusion and education and learning. For example. the 'Living Well' initiative highlights the support that libraries can provide to support health and well-being. Recent campaigns have focussed on ageing well, support for parents, and promoting libraries as a place 'to connect'. The Reading Well scheme supports individuals to understand and manage their health and wellbeing using helpful reading. There are currently four reading schemes for dementia, mental health, for children and teens. The recommended books are available from all library services.
6. Libraries also provide free access to IT equipment and help for those who need assistance in using technology. Some libraries offer loans of iPads for users to use at home. We are also seeing the development of 'Makerspaces' in libraries which provide access to, for example, recording and editing equipment, 3-D printers, and craft equipment. They are intended to support the development of STEM skills and creativity.
7. Local libraries are also offering warm and welcoming spaces to support people through the current cost of living crisis. There is an emphasis on ensuring that everyone feels welcome to visit their local library. Many libraries are also offering hot drinks and snacks, activities and advice anyone in need.

8. Local authorities have a responsibility under the 1964 Public Libraries and Museums Act to provide a 'comprehensive and efficient' library service. Welsh Ministers have a responsibility to 'superintend' library service provision. This includes the statutory power to intervene and call a local inquiry when a library authority fails (or is suspected of failing) to provide the required service.
9. The provision of library services is monitored through the Welsh Public Library Standards (WPLS). The sixth Framework of standards expired in 2020 and it had been intended to extend the Framework for a further year (2020/21) to allow for a review and the development of a new framework. However, this work was disrupted by the pandemic.
10. More focussed data gathering exercises based on a reduced Framework 6 were undertaken in 2020/21 and 2021/22, which captured the work which libraries did to support communities during the pandemic. For 2022/23, libraries will return to reporting against the sixth framework. A revised Framework based on the 6th Framework will be in place for 2023/24 while a thorough going review of the WPLS is undertaken to inform the development of a seventh framework which is likely have a greater emphasis on demonstrating the impact of libraries.
11. Currently, eighteen local authorities provide public library services directly while four authorities deliver through a trust arrangement. Aneurin Leisure Trust (Blaenau Gwent), Well-Being@Merthyr (Merthyr Tydfil), and Aura Leisure and Libraries (Flintshire) deliver both leisure and library services and there are examples of joint working across the services. For example, Deeside Library in Flintshire is in the leisure centre, while Aneurin Leisure provides 'Sports Libraries' which offer a range of sporting equipment for loan from the library service. Awen Cultural Trust (Bridgend) is responsible for cultural services including libraries, but also supports two community libraries staffed and managed by Halo Trust which manages leisure services.
12. The provision of a library service is a statutory requirement. If a Trust were unable to continue with the provision of a service, an alternative arrangement would need to be put in place by the local authority. Any new arrangement would continue to be measured against the Welsh Public Library Standards to ensure the level of service provided met the needs of the local community and fulfilled the statutory requirements of the 1964 Public Libraries and Museums Act.
13. There is a trend for local authorities to deliver library services via community hubs. For example, most community hubs in Cardiff include a library along with housing and benefits advice, money advice, advice on job seeking, learning opportunities and a community space. Evidence indicates that this has increased the use of services, reduced costs and contributes to the resilience of services.
14. Other developments have seen the co-location of libraries services with other cultural services to encourage use and sustainability. For example, Conwy

Cultural Hub is the joint facility for a library, archive service and museum. Y Gaer in Brecon is both a library, museum and gallery, and The Riverside in Haverfordwest houses a library, art gallery and information centre. Each of these projects has benefitted from funding via the Welsh Government's Capital Transformation Fund.

15. The move towards a hub model and the co-location of cultural services in the examples cited above has increased the sustainability of individual libraries and may have prevented the closure of services in some instances. Local authorities can apply to the Welsh Government's Transformation Fund for museums, archives and libraries to support the refurbishment of local libraries, or to facilitate a move to a hub model.
16. There are also a growing number of community libraries in Wales where the community has taken responsibility for a local library. Some are delivered in partnership with the local authority, while others are entirely independent. They depend heavily on the commitment of volunteers. They provide valuable community spaces in addition to a library service. The Welsh Government supported community libraries through the Cultural Recovery Fund, and more recently provided support to meet increasing utility and other running costs.
17. Library service use has not yet recovered fully from the impact of the pandemic. The number of physical visits and loans of books and other resources have yet to return to pre-pandemic levels. The pace of recovery is uneven and the reasons for the pattern of use across Wales are hard to determine.
18. However, the pandemic saw a huge rise in the number of users accessing e-resources and it is anticipated that the demand for digital content (e-books, e-magazines, newspapers, and other on-line reference sources) will continue to rise. The Welsh Government provides support for the acquisition of content for the National Digital Library Service (NDLS) but, local authorities also need to provide funding for resources, and to develop and maintain the infrastructure which underpins the digital service alongside the traditional physical sites and resources. In a difficult financial climate this is challenging.
19. There is a strong commitment to collaborative working across Welsh libraries. 20 services currently share a library management system which has delivered efficiency savings and promoted joint working. There are plans in place to re-procure a new library management system (which may include all 22 authorities) in the coming year. This is an excellent example of services working together to deliver savings, and to share knowledge and experience.

Leisure services

20. Our leisure services – leisure centres, swimming pools and areas of outdoor recreation – are vital to the health and wellbeing of our nation and are often the heartbeat of our communities.

21. However, recent surveys have reported the leisure industry is facing significant challenges relating to energy costs and cost of living increases, against a backdrop of slow recovery from the impacts of the pandemic. Less disposable income means people are also having to tighten belts and spend less on leisure activities. Increased living costs are also impacting on the recruitment and retention of staff and volunteers, as people struggle to afford travel costs and child-care, or opt for better paid work. In some instances, the combined result of these challenges is reduced programmes of activity across Wales. Significant increases in supply chain costs, particularly in relation to materials and labour, are also impacting on capital projects and maintenance work.
22. In October 2022, the Local Government Association in England reported energy costs for public leisure services had increased from around 10-15% of turnover in 2019, to 25-30% of turnover in 2023-24. Inevitably, parallels can be drawn in Wales. Two Leisure Trusts, who operate services on behalf of Local Authorities in Wales have reported increases in energy costs of up to £1m per Local Authority contract they deliver.
23. The leisure sector faces significant challenges in meeting the escalating revenue costs of energy, chemicals and utilities, alongside the negative impact on revenue streams due to cost-of-living increases. However, most of the swimming pool infrastructure is ageing, having been built in the 1970s and 1980s, and they generate even higher running costs and are increasingly more difficult to sustain.
24. There is concern within the sport and leisure sector that these challenges, set against a challenging funding environment for Local Government, may result in a reduction or rationalisation of services over the coming years. For instance, the Welsh Sports Association reported operators of swimming pools were reducing water temperatures to save money. Swim Wales estimate a possible reduction of 150,000 active adults and children across Wales over next 18 months due to the current financial challenges pool operators are facing. My officials will continue to monitor the situation with local authority partners and stakeholders, such as Swim Wales and WSA, as it evolves.
25. Under the Local Government Act, leisure services are not protected as a statutory service in the same way as library services. There are also a variety of arrangements for the provision of leisure services in Local Authority areas across Wales: eight Local Authorities deliver in house; two deliver through a Local Authority owned trading company; ten use the Charitable Trust Model; one uses a private provider; the final one is in the process of bringing these services back in house.
26. There are also several facilities that had been operated by Local Authorities that have been turned over to single site operators, largely since 2010. These individual sites in the majority are not contracted by the Local Authority to deliver a service and have often taken on a Community Asset transfer of a capital asset. Examples include Llandysul, Harlech and Wrexham Plas Madoc. It is generally felt that these are the most at risk venues as they are not protected by contracts and do not have a financial backstop in the shape of Local Authority backing or the ability to “return the keys” to the Local Authority.

27. Community Leisure Wales data suggests leisure operators have already made investments in energy efficient systems where they can. However, nearly two thirds of the leisure estate is ageing and past its replacement date and with the current financial pressures, leisure trusts are unable to invest further in decarbonisation and facility refurbishment.
28. While local authority leisure centres and swimming pools face ongoing revenue challenges, the lack of capital investment is a more pressing issue, particularly in the context of the Welsh Government's commitment to achieving a zero-carbon economy and a green transformation to address the climate and nature emergency.
29. Local Authorities and other public sector organisations can access technical and financial support from the Welsh Government's Energy Service, to improve the energy efficiency of their swimming pools and leisure centres (including those managed by leisure trusts), helping to reduce carbon emissions. The financial support comprises of zero interest loans from the Wales Funding Programme. The zero interest loans are available for improvements as part of large retrofit programmes of work, or smaller energy efficiency projects. These include measures to reduce heating costs by making buildings more heat efficient, LED lighting upgrades, and renewable projects such as installing rooftop solar panels.
30. The Welsh Government, and other organisations in the leisure sector called on the UK Government for leisure centres and pools to be include in the higher energy relief scheme. In March there was an UK Government announcement of a specific support package of £63m for leisure centres and swimming pools and the Welsh Government is currently considering the potential use of the c£3.5m consequential funding that will be received recognising the significant funding already provided to Local Authorities and wider funding available to the sector. It must also be noted that it is an important principle of devolution that consequential funding is not ringfenced for similar purposes in devolved governments. Welsh Ministers are continuing to assess and consider where the greatest impact will be when making funding decisions in line with Welsh circumstances and priorities in the context of the range of identified pressures, including active discussions on pay and mitigating the cost-of-living crisis that we continue to face.
31. The Welsh Government continues to provide funding, through Sport Wales, for local authorities to offer free swimming to children and young people aged 16 and under and 60+. The scheme provides a free splash session every weekend in every pool and two additional sessions in the summer holidays. The funding for the Free-Swimming Initiative in 2023-24 is £1.5m.
32. Local authorities provide targeted support to encourage young people and 60+ from areas of deprivation to participate in the Free-Swimming scheme - to have fun, learn a life skill and to enjoy the physical and mental wellbeing benefits of an active lifestyle.

33. Throughout 2022-23 there have been a variety of offers to make swimming fun and engaging to a broader audience, including the upskilling of staff and making small changes to pool areas. Some predominantly rural Local Authorities have attempted to tackle rural deprivation, seeking to understand the barriers to swim participation and working with customers to overcome these. Other Local authorities have partnered with food banks, housing associations and social services to develop voucher schemes and deliver targeted swimming sessions, and lessons for those who live in areas of deprivation.
34. The Armed Forces Free Swimming Scheme (AFFS) was launched in February 2016, offering free swimming to both veterans and serving members of the Armed Forces. The AFFS represents the continued commitment to provide the Armed Forces community with access to services which meet their specific needs and recognise the service they have given to their country. The scheme was introduced as an extension of the Package of Support for the Armed Forces and Veterans and complements other practical measures local authorities have in place to support the Armed Forces community. We will continue the Armed Forces Free Swimming over the next three Financial Years (2022-25) with an annual revenue budget of £45,000.
35. The Welsh Government has also committed £16m in capital funding over the next two years to Sport Wales to develop facilities across Wales, which includes helping upgrade sport facilities with energy saving measures. Though, through working with partners across the sector, local authorities and education we are ensuring we maximise the investment into sports and leisure facilities.
36. Leisure services and participation in physical activity plays a fundamental role in supporting the health and wellbeing of Wales and thus indirectly supporting the economy by reducing healthcare costs due to a healthier population and reducing crime. The importance of leisure centres and pools in this regard in communities is significant and improving access to and participation in sport and physical activity is a key priority for this Government.

Conclusion

37. Local government plays a critical role in delivering public services – such as libraries and leisure services - to communities throughout Wales and are key to the health and well-being of our citizens. The challenges we face now, and have faced for several years, through a real term decreasing financial settlement from the UK Government means we have to work together even closer in delivering our shared ambitions.

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