

Agenda – Local Government and Housing Committee

Meeting Venue:

Committee Room 5

Meeting date: 13 July 2023

Meeting time: 08.45

For further information contact:

Manon George

Committee Clerk

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(Pre-meeting – 08.45 – 09.00)

1 Introductions, apologies, substitutions and declarations of interest

2 Diversity in Local Government – Evidence from the Minister for Finance and Local Government

(9.00 – 10.00)

(Pages 1 – 30)

Rebecca Evans MS, Minister for Finance and Local Government

Elaina Chamberlain – Head, Democracy, Diversity & Remuneration, Welsh Government

Lisa James – Deputy Director, Local Government Policy Division, Welsh Government

3 Papers to note

(Page 31)

3.1 Letter from the Minister for Social Justice and Chief Whip – The provision of sites for Gypsy, Roma and Travellers

(Pages 32 – 34)

3.2 Letter from the Finance Committee to the Minister for Finance and Local Government – Welsh Government Draft Budget 2023–24

(Pages 35 – 37)



- 3.3 Letter from the Minister for Climate Change to the UK Government –
Legislative Consent: Renters (Reform) Bill**
(Page 38)
- 3.4 Letter from the Minister for Finance and Local Government to the Legislation,
Justice and Constitution Committee – Non-Domestic Rating Bill LCM**
(Pages 39 – 42)
- 3.5 Additional information from Welsh Local Government Association – Diversity
in local government**
(Pages 43 – 45)
- 3.6 Letter from the Finance Committee to the Minister for Finance and Local
Government – Draft Budget Timetable 2024–25**
(Pages 46 – 48)
- 4 Motion under Standing Order 17.42(ix) to resolve to exclude the
public from the remainder of the meeting**
(10.05)
- (Break – 10.05 – 10.15)**
- 5 Consideration of forward work programme for Autumn term**
(10.15 – 10.45) (Pages 49 – 53)
- 6 Private Rented Sector – approach to engagement**
(10.45–11.00) (Pages 54 – 56)
- 7 Diversity in Local Government – Consideration of evidence and
key issues**
(11.00–12.00)

Welsh Government – Evidence Paper – Senedd Local Government & Housing Committee Inquiry into Diversity in Local Government.**1. To assess progress made to improve diversity in local government since passing the Local Government and Elections (Wales) Act 2021 and any tangible impact on candidates standing for election.**

1.1 The Local Government and Elections (Wales) Act 2021 (the 2021 Act) included provisions to promote and support participation, openness, diversity, and accountability within the local democratic processes. These include:

Job-sharing - Principal Council Executives

1.2 A number of councils have put job share arrangements in place. Feedback is positive and suggests some members would not be in a position to undertake an executive role without the opportunity job sharing provides. The 2021 Act made provision for the maximum number of executive members to be increased from 10 to 13 to allow for up to 3 job share arrangements. It is, however, a matter for each executive to consider the number of jobs share roles created in light of the council and the need for effective scrutiny to be carried out.

Job sharing - non-executive members

1.3 The 2021 Act provided for job share arrangements to be extended to senior non-executive roles such as committee chairs. Discussions with local government have highlighted two key areas requiring further detailed consideration. These are:

- the approach to be taken to a casting vote where job share partners are undertaking the role of Chair and are not agreed on their position.
- circumstances which could impact on the political balance arrangements for committees.

1.4 A consultation paper is being prepared to seek views on:

- the current executive arrangements;
- extending job share provision to non-executive arrangements;
- and the potential for job-share partners to stand on a joint ticket at election.

Multi-location meetings

1.5 It is important to recognise the challenges councils face implementing the arrangements for multi-location or hybrid meetings. These include changes to their IT infrastructures, upskilling members in the use of new equipment, change of culture and the loss of networking opportunities for members. However, feedback from officers and members identifies the benefits of virtual and hybrid meetings including:

- an increase in individuals attending council meetings, this includes members, the public and the media.

- reduction in the need for travel for members, the public, and the media benefiting the environment and the health, welfare, and safety of individuals especially during the winter months.
- an improvement in the conduct of members in meetings.
- an improvement in the way Welsh translation has been incorporated into meetings.

1.6 Councils are able to determine the mode of individual meetings in light of the circumstances prevailing at the time. Town and community councils are also required to put in place arrangements for hybrid meetings on the basis that participants are able to hear and be heard'. Therefore, a telephone connection is all that is required.

Broadcasting

1.7 Principal Councils are currently required to broadcast live meetings of the full council and make the recordings available on their website. This enables more people to have access to council proceedings. Many councils go beyond this requirement and broadcast other meetings, or record meetings and place those recordings online. This enables local democracy to reach more people with a view to raising interest in participating as a citizen which may then lead to interest in standing as a member.

1.8 Consideration is now being given to whether other meetings should be required to be broadcast live and if so which ones. Any extension to the requirement for live broadcasting will need to align with the public's view about a) the benefit of extending the provisions and b) the areas they are most interested in. This needs to be balanced with ensuring any extension is not to the detriment of outreach work where meetings might be held in community centres or schools. There is a need to balance expansion with pragmatism, while work is taken forward to identify ways of creating more local flexibility. A public consultation on next steps will take place before the end of the year.

1.9 More than £850,000 was provided to principal councils to support the implementation of multi-location meetings and for broadcasting. In addition, £150,000 has been made available to fund the delivery of an action plan to provide digital support to community and town councils to meet their duties regarding hybrid meetings. Welsh Government officials are working with One Voice Wales, the Society of Local Council Clerks, and the Chief Digital Officer for Local Government to deliver this plan.

Family Absence

1.10 The provisions introduced by the Local Government (Wales) Measure 2011 resulted in Wales becoming the first country in the UK to make provision for family absence for principal councillors, recognising the need for individuals to be able to balance their roles as councillors with family responsibilities. Changes implemented in the 2021 Act led to an increase in the period for adopters leave from 2 to 26 weeks. This means all parents are now able to take to the same amount of family

absence leave to enable them to provide a supportive and nurturing environment for their children in the early stages of developing relationships and bonding.

Voting

1.11 16- and 17-year-olds are now able to vote and have a say over critical issues that affect their future. We are working with organisations between election cycles to ensure the conversation about participation continues. This is critical to encouraging more young people not only to vote but also to participate in local democracy either as citizens or elected members. We have made £300,000 available for 2023/24 and 2024/25 via our Democratic Engagement Grant to improve democratic engagement. This funding is aimed at the third sector, not-for-profit organisations and local authorities in Wales, that can demonstrate the need for funding to pursue an innovative approach to engaging under-represented, newly enfranchised, and disabled people in democracy.

Public Participation Strategy

1.12 Principal councils are required to encourage local people to participate in decision making and are under a duty to prepare and publish a public participation strategy, developed in conjunction with communities. The 'participation duty' relates specifically to participation in the democratic processes of the council, recognising the democratic dimension of councils which is specific and integral to their constitution. Its focus is on maintaining the participation, trust, and interest of the public in democracy in the years between elections. It is hoped this will also provide a way to raise awareness of the role of councillors and encourage candidates to come forward through the route of wider civic engagement.

Official addresses

1.13 Principal councils are now required to publish an electronic and postal address for correspondence for each council member. This may be an official rather than a home address. This is important to ensure elected members personal safety and has been welcomed.

Political Group Leaders and Standards Committees

1.14 It is important not only to encourage candidates from different backgrounds to stand for election but also to ensure they are supported when they are elected. These provisions place a duty on political group leaders to uphold the highest standards of conduct amongst their political group, for Standards Committees to support them in doing so and to publish an annual report setting out how this will be achieved.

1.15 The most recent councillor survey highlighted widespread instances of bullying, offensive and inappropriate behaviour towards councillors, from fellow elected members, the public and officers. We are working closely with the WLGA and One Voice Wales to promote training on the Code of Conduct and to implement the changes in to the Ethical Standards Framework ("the Framework") and to encourage political group leaders to take a pro-active role themselves in tackling and preventing breaches of the Code. This is a new duty, and we will want to see how it is

implemented within councils and what impact it has on behaviours. We have also commissioned a number of short videos about the Framework, these can be viewed on:

[Standards of behaviour for councillors in Wales](#)

[Advice on how to complain about a councillor in Wales](#)

[How councillors should behave and interact with people](#)

Assistants to the Executive

1.16 The 2021 Act enables cabinets to appoint assistants to the executive. This enables councillors to gain experience of being in a senior role without the full-time commitment.

Statutory and Non-statutory Guidance

1.17 In collaboration with local government, several pieces of guidance have been re-written alongside the development of new guidance to support implementation of these provisions in the 2021 Act. This included updating the guidance in relation to training and support for elected members to enable them to maintain a work/life balance.

1.18 The [consolidated guidance to principal councils in Wales](#) was published on 15th June 2023.

2. To consider the progress in implementing the recommendations in the Equality, Local Government and Communities Committee's 2019 report on diversity in local government.

2.1 Many of the recommendations contained in the [2019 report](#) were included in Phase Two of the Welsh Government Diversity in Democracy Programme. Several statements have been made on this work outlining actions and progress.

[Written Statement: Phase Two – Diversity in Democracy – 19 July 2019](#)

[Written Statement: Phase Two - Diversity in Democracy Programme Action Plan 25 September 2020.](#)

[Written Statement: Diversity in Democracy – Update – 8 July 2022](#)

2.2 Other recommendations were addressed through the 2021 Act and are referenced above. I set out further information on the remainder below.

Public Sector organisations encouraging their employees to be councillors.

2.3 A joint letter with the Minister for Social Justice was sent to all public sector organisations across Wales in November 2022, to encourage them to promote the role of councillors within their organisations, highlighting the importance of councillors and the roles that they play within our communities, and also asking them to consider ways in which they could support their employees to become councillors.

There was limited feedback and further exploration is required. I am also taking opportunities to encourage other organisations to support individuals in their workforce.

Section 106 of the Equality Act 2010

2.4 Welsh Ministers wrote to the UK Government in July 2020 to request commencement of this provision. In its response the UK Government confirmed it will keep section 106 under review and continue to encourage political parties to report on a voluntary basis.

Extending the Sunset Clause in the Sex Discrimination (Election Candidates) Act 2002

2.5 In the same correspondence referred to above, Welsh Ministers raised this matter. In its response the UK Government stated the current legislation already provides for parties to be able to use this strategy until 2030, so in its view this is not an immediate issue that needs to be addressed.

Access to Elected Office Fund – see separate section.

Candidate Survey

2.6 Since 2011, local authorities are legally required to monitor the equality and diversity of candidates seeking election to county and county borough councils and community and town councils through a survey of candidates. Questions may be asked about gender, sexual orientation, language, race, age, disability, religion or belief, health, education or qualification, employment, and work as a councillor.

2.7 The response rate for the 2022 survey was disappointing, with the response rate for County candidates at 15% and for Community candidates at 11%. The purpose of the survey is to understand the characteristics of the candidates, and those who are elected as councillors; and to understand how the profile of this group changes over time.

2.8 Consultation on the Electoral Administration and Reform White Paper proposed the removal of the requirement to set out the specific wording of the survey in regulations (secondary legislation) which will make it easier to change the survey questions as policy develops. There was overall agreement to this proposal in the responses to the consultation. In future, it is intended the survey will consist of a core set of all Wales questions and provide an opportunity for principal councils to add questions aimed at providing information about local initiatives.

Consultation on changes to the Ethical Framework

2.9 An effective ethical framework is essential to ensure people and councillors from all backgrounds have confidence to engage with local democracy or stand for elected office. It is part of making Wales a diverse and inclusive nation and its review is an action in our Anti-racist Wales Action Plan.

2.10 In March 2021, the then Minister for Housing and Local Government commissioned an independent review of the Framework for local government in Wales established by the Local Government Act 2000.

2.11 The Review concluded the current framework is 'fit for purpose' and works well in practice. However, it suggested a few amendments could lead to a greater emphasis on prevention of complaints and result in ethical standards being further enhanced. We have consulted on the Welsh Government's proposed response to the recommendations of the independent review. A link to the consultation document is available at: - [Recommendations of the Independent Review of the Ethical Standards Framework \(Richard Penn report\) | GOV.WALES](#)

2.12 I am currently considering the responses to this consultation and will publish a summary of the responses and a statement on next steps in due course.

3. To explore research and analysis being undertaken by the Welsh Government, partner bodies and others on the diversity of candidates and outcomes following the 2022 local elections.

3.1 The [evaluation of the Diversity in Democracy Programme](#) in 2019 highlighted a lack of understanding among the public about the role of councillors and the important contribution they make on behalf of communities. Building on that evaluation, we have since carried out an [evidence review](#) of how councillor remuneration in Wales compares with other countries, and a [survey of public attitudes](#). In addition, an [online survey of councillors in Wales](#). more than 1,600 responses were received from principal and community and town councillors, and a wealth of information has been collected on topics such as the perceived influence of councillors, workload, remuneration, and behaviours and attitudes towards councillors. In addition, a research programme titled '[Removing barriers to elected office for people with protected characteristics: theory of change](#)' has been conducted looked into the under-representation of groups with protected characteristics in both local and national politics in Wales.

3.2 The outcomes of this piece of research were considered during a series of stakeholder events held in December 2022 and January 2023, and these outcomes and responses are informing the next steps in our agenda to increase diversity in local government.

4. To examine schemes established to promote and enable greater diversity among those standing for election, including the Access to Elected Office Fund.

4.1 A key action to enable greater diversity among those standing for election was the delivery of the pilot 'Access to Elected Office Fund for Wales'. It was made available to assist disabled people standing for election in both the May 2021 Senedd and May 2022 local government elections. Six of the individuals in receipt of support were successfully elected, all to community councils.

4.2 The Electoral Administration and Reform White Paper included a proposal to “legislate to require the Welsh Ministers to maintain an ‘Access to Elected Office Fund’ which is available for all devolved Welsh ordinary and by elections”. There was broad support for this proposal and the Counsel General, in a statement made in the Senedd on 16 May 2023 confirmed the Welsh Ministers’ intention to legislate to ensure that a fund is available for future elections.

4.3 An independent evaluation of the fund will be published shortly and is expected to support the continuation and improvement of the fund arrangements in Wales.

4.4 Information collated from the research undertaken, feedback from the pilot (Access to Elected Office Fund) and the diversity events suggest the current arrangements in respect of the Access to Elected Office Fund, as it stands, may not deliver the desired outcome for all groups of people with protected characteristics who we want to reach. Therefore, we are considering arrangements and delivery options to ensure that support is provided and will be as effective as it can be for all groups. The ‘Access to Elected Office Fund’ for people with disabilities will continue in the future.

4.5 Allied to the Access to Elected Office Fund is the development of a network for disabled people who want to stand for elected office. This would build on the current scheme which research and evaluation considers fundamental to the success of future arrangements. I will be exploring this further.

5. To explore areas of innovation and good practice that may help increase diversity in local government.

Community Councils

5.1 Following May 2022’s elections it was clear that there was more work to do to ensure active participation in community and town councils. The results showed that only 22% of the 7,883 seats were contested. 62% of seats were uncontested. 16% of seats were unfilled, or to be filled through further election or by co-option. There were two key issues identified – the first was ensuring that people have a genuine choice as to who represents and serves them. The second was about ensuring people feel that being part of this level of democracy is a way to effect change and that they want to put themselves forward for election.

5.2 To address these issues, a Democratic Health Task and Finish Group has been established with the focus on improving the awareness and engagement between communities and their community councils, and also to increase the number and diversity of candidates standing for election to community and town councils. The Group first met on 8 June 2023 and a draft report is expected by February 2024 containing options to enable Welsh Ministers to consider the next steps in this area.

Socio-economic Factors

5.3 I will shortly commission research to look at how socio-economic factors impact on an individual's ability to get involved in local democracy and stand for elected office what the barriers are and how they might be addressed in the future. This will build on [A review of evidence on socio-economic disadvantage and inequalities of outcome \(summary\)](#)

Abuse of candidates / councillors

5.4 I intend to bring together key partners to explore what else we might do together to combat abuse in politics, because this requires a whole system approach building on existing ideas whilst developing new approaches. We all need to call out bullying and harassment, which has no place in society or indeed council chambers. However, as part of our work we will look to equip individuals with skills and support to manage difficult situations should they arise. This will include considering resilience training, lone working guidance and managing digital relationships.

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

Document is Restricted

Agenda Item 3

Local Government and Housing Committee

13 July 2023 - papers to note cover sheet

Paper no.	Issue	From	Action point
Paper 2	The provision of sites for Gypsy, Roma and Travellers Welsh Gov Draft Budget 2023-24	Minister for Social Justice and Chief Whip Finance Committee	To note
Paper 3	Welsh Gov Draft Budget 2023-24	Finance Committee	To note
Paper 4	Legislative Consent: Renters (Reform) Bill	Minister for Climate Change	To note
Paper 5	Non-Domestic Rating Bill	Minister for Finance and Local Government	To note
Paper 6	Diversity in local government	Welsh Local Government Association	To note
Paper 7	Welsh Gov Draft Budget 2023-24	Finance Committee	To note



Jane Hutt AS/MS
Gweinidog Cyfiawnder Cymdeithasol a'r Prif Chwip
Minister for Social Justice and Chief Whip

John Griffiths MS
Chair, Local Government and Housing Committee

26 June 2023

Dear John,

Gypsy and Traveller Sites Capital Grant

Thank you for your letter regarding the funding allocated to the Gypsy and traveller Site Capital Grant and please accept my apologies for the delay in responding.

I can assure you of our strong ongoing commitment to the Gypsy, Roma and Traveller communities to ensure adequate culturally appropriate accommodation is made available through Local Authority and private sites. The requirements to prepare Gypsy and Traveller Accommodation Assessments (GTAAs) and report on the need for additional sites and pitches in their area, including both permanent and temporary transit sites, are well established but the process has highlighted the significant challenges faced by Gypsy and Traveller communities.

In 2021-22 we had a budget of £3.5 million and in 2022-23 we had a budget of £3.690 million for the Gypsy and Traveller Site Capital Grant. However, that budget has reduced to £3.29 million for 2023-24, but that does not reflect a lack of support to the community but rather the low uptake of the grant which is due primarily to a range of challenges faced by Local Authorities with the site developments. The purpose of the grant is for refurbishing existing accommodation, constructing new pitches and improving the sustainability of sites for residents. Applications are received and agreed as part of a rolling programme. We continue to make sure Local Authorities across Wales are aware of the grant; however, despite this, the grant has either not been fully utilised or those grants which have initially been awarded have been delayed due to building works having not been completed which would enable the Local Authorities to complete the grant claims.

Since the duty to identify and meet the need for appropriate accommodation was created within the Housing (Wales) Act 2014 we have seen well over two hundred new pitches

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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.

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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.

either created, or refurbished, many on small, privately-owned family sites. This compares to only a handful of new pitches created between 1997 and 2014.

However, I am aware that, while there was good progress when the Act was first introduced, this has not been sustained more recently in every part of Wales. Having introduced legislation and provided significant funding to address the need, we are concerned that in some cases plans have stalled for several years and sufficient progress has not been made to address the site needs of the community.

I understand proposals for new sites, and even for improvements, are often complex and require community engagement and sometimes attract challenges to decisions. This means the timeline for plans for new sites or amendments to existing sites can sometimes take considerable development before planning and grant applications are made.

However, despite those challenges we expect all Local Authorities in Wales to ensure sufficient site and pitches are provided to meet the identified needs of Gypsy communities across Wales. I expect accurate assessment of needs and clear action on how they will address those needs to meet the gap which exists. The current provision for permanent and transit sites falls far short of requirements and that cannot continue.

We are currently reviewing the robustness of assessments across Wales to meet the site needs across Wales for Gypsy and Traveller communities. Officials are working with Local Authorities and Gypsy and Traveller communities to identify the extent of the requirements and understand the barriers which still exist to prevent progress. I will be writing to each Local Authority with the outcome of those assessments. I have recently met with the WLGA and Council Cabinet leads for Equality to help understand those challenges better and seek agreement to work collaboratively across Wales to ensure adequate site provision is a priority for both permanent and transit sites.

Once this has been completed, I will be meeting on a regional level as well as on a bilateral basis where to review gaps in provision and local authority response. I will explore with them the steps required to overcome any barriers which remain, and to seek affirmation of their commitment to ensuring sufficient provision of permanent and transit sites across Wales to meet the needs of Gypsy, Roma and Traveller communities in line with the Anti-Racist Wales Action Plan. This will be a useful opportunity to remind them about the Welsh Government grant as an important tool for progressing work to improve sites and create new ones.

Given the challenges, active engagement by Welsh Government is important in moving things forward. Steps are currently being taken to strengthen the team to enable significant engagement with Gypsy and Traveller people and communities as well as engagement with local authorities and other partners.



Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol a'r Prif Chwip
Minister for Social Justice and Chief Whip

Rebecca Evans MS
Minister for Finance and Local Government

23 June 2023

Dear Rebecca,

Documentation accompanying the Welsh Government's Draft Budget

In our [report](#) on the scrutiny of the Welsh Government Draft Budget 2023-24, we made the following conclusion:

*“**Conclusion 1.** We welcome the Minister’s willingness to consider ways in which budget documentation can be improved. While we have reflected our views above, the Committee has decided to consult Senedd committees on their experiences of scrutinising this year’s budget documentation and ways in which improvements can be made.”*

A [letter](#) was subsequently issued to Senedd Committee Chairs on 8 March 2023, asking the following question:

“What improvements would you like to see in the Welsh Government’s Draft Budget documentation and subsequent ministerial written evidence?”

We received responses from the Chairs of the following committees which have all been published on the Senedd’s website:

- [Climate Change, Environment and Infrastructure Committee \(CCEI\)](#)
- [Health and Social Care Committee \(HSC\)](#)
- [Equality and Social Justice Committee \(ESJ\)](#)
- [Local Government and Housing Committee \(LGH\)](#)
- [Culture, Communication, Welsh Language, Sport and International Relations Committee \(CCWLSIR\)](#)
- [Children, Young People and Education Committee \(CYPE\)](#)
- [Economy, Trade and Rural Affairs Committee \(ETRA\)](#)



The responses identified a number of common themes and areas where improvements could be made to the budget process. These are summarised below:

Timeliness

As a general point, a number of Committees noted the trend in recent years towards publishing the Draft Budget later in the year, resulting in a truncated budget timetable, has made it challenging to meaningfully assess the impact of the Draft Budget on the policy areas within their remits. Some committees considered this to be a key weakness which significantly hampers the ability of Committees to consider budgetary proposals in detail.

Transparency

Many Committees felt that the Welsh Government could be more transparent in the way it presents its information in the Draft Budget. In particular, Chairs felt that the impact of budget decisions on policy areas within each Committee's remit should be clearly set out.

This echoes [Recommendation 13](#) in our report on the Draft Budget 2023-24 which called on the Welsh Government to make changes to the way it presents information in documentation published alongside the Draft Budget so that it provides:

- an assessment of the impact of spending decisions across portfolios, including the impact of reprioritisation exercises and clarity on the real terms effect of decisions within portfolios; and
- an assessment of how the Welsh Government's spending decisions are (or are not) supporting preventative measures.

In [response](#), you accepted this recommendation in principle, stating that:

“While we are committed to improving how we undertake and outline the impacts of our spending decisions, such an approach must be proportionate.

We already publish a suite of documents as part of the Draft Budget, which includes individual Ministers' responses to their respective Senedd scrutiny committees, and which provides a more detailed account as to how Draft Budget decisions have impacted on different groups or considered issues such as prevention. The Strategic Integrated Impact Assessment (SIIA) continues to outline the contextual evidence that has supported our spending decisions.

We are open to exploring further changes that could be made as part of the work of the Budget Improvement Plan.”



Quality of written evidence provided by the Welsh Government

Concerns were also expressed regarding the quality of the evidence provided by the Welsh Government, with some Chairs stating that ministerial submissions were not as comprehensive as previous years. Others also called on Welsh Government departments to respond fully and in detail to each Committee's written request for evidence.

Responding to recommendations ahead of the Final Budget debate

Finally, a number of Committees were disappointed that the Welsh Government was not able to respond to Draft Budget recommendations sufficiently in advance of the Final Budget debate. Some Committees also felt that the Welsh Government could do more to explain the differences between the Draft and Final Budget ahead of the Final Budget debate.

We welcome your willingness to engage with the Committee on these issues and that you are open to exploring changes to the way that information is presented alongside the Draft Budget.

We therefore ask that these concerns are taken into account ahead of the 2024-25 budget round.

I am copying this letter to the Chairs of the aforementioned Senedd Committees.

Yours sincerely,



Peredur Owen Griffiths MS
Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Paper 4 / Papur 4
Agenda Item 3.3

Julie James AS/MS

**Y Gweinidog Newid Hinsawdd
Minister for Climate Change**



**Llywodraeth Cymru
Welsh Government**

Ein cyf/Our ref MA/JJ/1462/23

Rachel Maclean MP
Minister of State for Housing and Planning
2 Marsham Street
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27 June 2023

Dear Rachel,

Thank you for your letter of 17 May, in relation to the introduction to Parliament of the Renters (Reform) Bill.

Your letter outlines the areas where the Bill has an effect on Wales, and your view that the consent of the Senedd is required for the changes it makes to Part 7 of the Housing Act 1996. On face value it does appear that the saving by SI 2015/1272 of the homelessness regime outlined in Part 7 could mean that the Renters (Reform) Bill proposes provision within the legislative competence of the Senedd, and I am grateful to you for drawing this to my attention. However, more detailed consideration by my officials has concluded that, in particular as a consequence of the implementation of the Renting Homes (Wales) Act 2016 on 1 December 2022, which abolished assured tenancies in Wales, this is not the case.

I trust that you will accept my analysis of the devolved competence in this area, and that you will therefore update your Bill materials to reflect our revised position on this point.

Yours sincerely

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

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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.

Rebecca Evans AS/MS
Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/RE/0660/23(2)

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30 June 2023

Dear Huw,

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

I am writing in response to the recommendations set out in the Legislation, Justice and Constitution Committee's report on the Non-Domestic Rating Bill (the Bill) Legislative Consent Memorandum. The Committee requested a response to Recommendation 2 within ten working days. I would like to take the opportunity to respond to the other recommendations of the Committee at the same time.

Recommendation 1: We consider that the clauses of the Bill and the Schedule to the Bill set out in the Memorandum fall within a purpose within the legislative competence of the Senedd, as described in Standing Order 29, and therefore require the consent of the Senedd.

I welcome the Committee's confirmation that it agrees with the Welsh Government's analysis of the provisions in the Bill which require the consent of the Senedd.

Recommendation 2: The Minister should clarify and provide further detail to the Senedd as to why the Welsh Government has reversed its position and is now content with the delegated powers in clause 13 and in paragraphs 49 and 50 of the Schedule to the Bill. The Minister should provide this clarity and detail within 10 working days of this report being published, or such information should be set out in the next supplementary legislative consent memorandum laid before the Senedd, whichever is earliest.

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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.

I would first like to clarify that the Welsh Government has not reversed its position. At the time that the Memorandum was published, we were considering our position, as noted in the Memorandum.

This is a complex matter, where a devolved policy area and the functions of a reserved authority are intentionally connected, in order to enable something new and innovative. Only HMRC can deliver the *Digitalising Business Rates (DBR)* programme for Wales, as it relies on the sharing and linking of information on non-devolved taxes held by HMRC, as well as information about non-domestic rates (NDR). As a consequence, any secondary legislation made under the powers delegated on the Commissioners of HMRC would directly affect the functions conferred by the Bill on HMRC, alongside altering the requirements placed on payers of non-domestic rates. This means that any of the options to enable the DBR programme to be delivered in Wales must involve compromise, in one way or another.

On balance, taking account of these competing considerations and the context for the specific provisions, I have concluded that the delegated powers and duty to consult Welsh Ministers are appropriate to facilitate the administration of the DBR system, which needs to operate in a consistent manner across England and Wales. These powers are limited and do not need to be exercised to enable the legislative framework set out in the Bill to operate. They will only be used where a relevant administrative change is considered necessary to ensure the effective operation of the DBR programme by HMRC.

There is no anticipated need or desire to legislate differently under the delegated powers in relation to Wales and the potential for an alternative approach would constitute a risk to the effective and consistent operation of the system. This approach will enable the aims of the DBR programme to be delivered and intended benefits to be realised in Wales.

Recommendation 3: The Minister should confirm whether the Welsh Government looked for options to use legislation introduced to the Senedd to seek to make the change to the scrutiny procedure for regulations made under paragraph 5(13A) in Schedule 7 to the Local Government Finance Act 1988.

I can confirm that, in determining the optimal approach, the Welsh Government identified that there was not a suitable Senedd legislative vehicle to address this matter within the same timescale, nor could one be created without disproportionately detrimental impacts on our wider legislative programme.

Recommendation 4: The Minister should set out in detail, using The Non-Domestic Rating (Multiplier) (Wales) Regulations 2022 and The Non-Domestic Rating (Multiplier) (Wales) Regulations 2023 as working examples, the practical challenges and negative impacts on Senedd scrutiny of the current procedure for making regulations under paragraph 5(13A) in Schedule 7 to the Local Government Finance Act 1988.

I would first like to confirm that the Committee is correct that the Local Government and Elections (Wales) Act 2021 (“the 2021 Act”) did not introduce or change this procedure, it preserved the already established procedure, which aligns with that applicable in England. The practical challenges and timing constraints have been highlighted since the development and introduction (on 18 November 2019) of the 2021 Act. It is also the case that the UK

Government's comparable power will no longer be subject to such constraints, following the Bill. This is relevant because decisions taken by the UK Government on the setting of the multiplier in its Autumn Statements, and any related consequential funding, have implications for the Welsh Government's policy and budgeting considerations. If we are subject to constraints in the exercise of this power that the UK Government is not, in the context of these interdependencies and a tight timescale for making regulations, this could compromise its effective use. In recent years, UK Government Autumn Statements have fallen quite late in the budget cycle: this has the potential to compress the time available to the Welsh Government to take decisions on the use of consequential funding and make regulations.

The existing timing constraints link regulations and calculations on the multiplier to the Senedd's consideration of the local government finance report for the year. Regulations are not effective unless they are approved by the Senedd *before* it approves the local government finance report for the year, or before 1 March (whichever is earlier). However, the final calculation of the multiplier by Welsh Ministers is not valid unless it is made *after* the Senedd has approved the local government finance report or after 1 March. This dependency on the timing of the Senedd's consideration of the local government finance reports constitutes a "moving target", in respect of the setting of the multiplier.

If the Senedd is scheduled to consider the local government finance report very soon after the UK Government Autumn Statement and Welsh Government Draft Budget (either because the budgets are later or the report is earlier than is typical), this leaves very little time for regulations to be prepared and risks shortening the time for scrutiny. The potential for this outcome was highlighted in respect of the regulations which affected the setting of the multiplier for 2020-21. On this occasion, the local government finance report was originally scheduled for consideration by the Senedd on 19 December 2019. These regulations are, therefore, a better example of how the specific issue referred to in this recommendation could arise. In December 2019, the 2021 Act had already been introduced in the Senedd. It should be noted that a UK Government Spending Review on 25 November 2019 led to the timings for Senedd scrutiny of the local government finance report and multiplier regulations both ultimately being delayed.

Alternatively, if the Senedd is scheduled to consider the local government finance report much closer to the beginning of the financial year to which it relates, this may allow ample time for the preparation and scrutiny of regulations before that date. However, as the final multiplier cannot be calculated until after that date (or 1 March if earlier), this results in an unnecessary delay to the provision of clarity for billing authorities and ratepayers in Wales. The specific regulations referred to in this recommendation were subject to this impact, as the Senedd considered the relevant local government finance reports on 1 March 2022 and 28 February 2023.

The proposed changes will ensure the Senedd has a consistent opportunity for scrutiny, before any regulations are made, and reduce the risk of delayed billing. Local authorities and ratepayers in Wales will be provided with clarity as early as possible and will not be disadvantaged compared to those in England.

I thank the Committee for its detailed consideration of the Memorandum and hope that my responses to the recommendations provide the additional clarity sought.

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,

A handwritten signature in black ink that reads "Rebecca Evans." The signature is written in a cursive, flowing style.

Rebecca Evans AS/MS

Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government



WLGA Response Local Government and Housing Additional Information

WLGA representatives agreed to provide more information on the extent job sharing is being utilised by local authorities.

Following the committee hearing on the 15th, the WLGA has written to Heads of Democratic services. The following authorities are using job shares within the council's executive.

- Cardiff Council (2 Shared portfolios; Social Services and Tackling Poverty, Equality and Public Health)
- Newport City Council (1 Shared Portfolio; Social Services)
- Swansea Council (1 Shared Portfolio; Community)
- Powys (1 Shared Portfolio; Future Generations)
- Flintshire (1 Shared Portfolio: Deputy Leader)

Where job sharing within the executive has been used, feedback has been generally positive. However some issues have been raised, such as the need to ensure job-sharing members of the executive are aligned when voting within Cabinet.

It has also noted that for smaller councils, job sharing can place an increased burden on scrutiny committees, given that members of the executive cannot also be members of scrutiny committees. This has been highlighted as a particular challenge given the enhanced role of scrutiny following the commencement of the Local Government and Elections Act.

WLGA representatives agreed to provide additional detail on the desk-based review of diversity across local authorities undertaken by the WLGA following the local government election in 2022.

Please note that a spreadsheet outlining data of internal research exercise conducted by WLGA following the elections.

If you have further questions relating to this exercise, please contact Joseph Lewis.

The Committee agreed to write to seek the witnesses views on guidance, training and support for councillors to deal with online intimidation, harassment and abuse.

Working in partnership with the LGA, NILGA and COSLA, the WLGA has been involved with a programme of work entitled 'Civility in Public Life', which is primarily aimed at:

- articulating good standards for anyone engaging in public and political discourse
- understand the scale and impact of intimidation and abusive behaviour on our membership organisations, and develop recommendations for achieving positive debate and public decision-making on a local level



- to support our members and all democratically elected local representatives in addressing intimidation and abuse, so they deliver the best on behalf of their communities

The WLGA continues to work across the four nations to deliver a coordinated response on this issue, and has coproduced a number of shared handbook to support councillors in how to deal with online abuse and harassment. In addition to this, the WLGA updated its range of councillor handbooks, and also developed a suite of e-learning modules which included modules on Social Media Awareness, these have been used by councils to complement their own member induction programmes.

Through the WLGA, the 22 leaders agreed to adopt a Fair Campaigns Pledge ahead of the 2022 local elections which was adopted and implemented by political group leaders locally. The Fair Campaigns pledges commits candidates to running a fair and respectful election campaign which is based on positive campaigning and merit, rather than personal attacks and smears against individuals.

Feedback from WLGA officer networks suggests that while the pledge represents a positive step forward, the efficacy of this campaign remains unclear, this may be owing to the non-binding nature of the pledge, but also because of candidates needing further guidance on implementing the pledge in practice.

Delivery of the ambitions of the pledge was also made more challenging by the high number of independent candidates at local elections, with pledges being organised through political parties, and that a councillor's code of conduct is not applicable to candidates who have not yet been elected.

The WLGA also facilitates meetings of the Standards Committee Chairs Forum. The Forum provides an opportunity for Chairs of Standards Committees to discuss members conduct issues and standards of behaviour across Wales.

Paper 7
Agenda Item 3.6

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Y Pwyllgor Cyllid

Finance Committee

Rebecca Evans MS,
Minister for Finance and Local Government

7 July 2023

Draft Budget Timetable 2024-25

Dear Rebecca,

The Committee noted your proposed timetable for the 2024-25 budget at its meeting on 6 July 2023.

We consider this approach to be highly disappointing: As a Committee we have regularly called for sufficient time to be provided for the scrutiny of the Welsh Government's budgetary proposals, and for that to be in line with the Budget Process Protocol ('the Protocol'), which was agreed on a cross-party basis in 2017.

We have written to you on a number of occasions about the practical difficulties that shortened timescales pose to Committees in fulfilling their scrutiny functions, as well as the pressures it puts on stakeholders who wish to submit evidence and engage with our work, particularly when three weeks of that period falls over Christmas recess.

Most recently, I wrote to you on 23 June 2023 noting the concerns expressed by the vast majority of Committee Chairs regarding the timeliness of the budget process and the lack of time available for proper scrutiny. We are therefore extremely disheartened that these views were not reflected when this timetable was proposed. Furthermore, although we very briefly touched upon the budget timetable towards the end of our meeting on 20 June, we did not discuss specific dates, as indicated in your letter, and there was no opportunity for me to raise concerns given the lack of information shared at that point regarding your proposals.

Insufficient reasons for delay

Paragraph 11 of the Protocol states that a "budget/financial year will not be "normal" when there is significant uncertainty in respect of the Welsh Government's future financial position". It adds that:

"Although this list is not exhaustive, examples would include when there are no future budget figures provided by the UK Government; there is a UK fiscal event such as a Comprehensive Spending Review or Emergency Budget; or a significant change in the overall fiscal outlook such as an economic shock or changes affecting UK tax policy."

We have, in each of the past four years, accepted the arguments that there were significant levels of funding uncertainty to delay the laying of the draft budget. Whilst we acknowledge that the Chancellor of the Exchequer has not yet published the date of the fiscal event in the autumn, we do not consider this to be a compelling reason in itself to delay the publication of the Welsh Government's budgetary proposals and do not agree that this is the only prudent choice available to you.

As you point out, indicative budget allocations are already available to the Welsh Government, and whilst we accept that inflationary pressures remain high, they are sadly unsurprising and do not, in our view, amount to "significant uncertainty" in your funding position which necessitates a diversion from the 'normal' process outlined in the budget protocol.

We neither accept that the delay is wholly as a result of matters that are outside your control. As Minister responsible for the budget, you have significant discretion to decide when the Welsh Government's spending plans are published which, in turn, dictates how much time Senedd Committees have to conduct the scrutiny required.

As you are aware, this is the fifth year in a row that the two stage process set out in the Protocol has not been followed and the request to delay the budget process again this year, suggests that there are few circumstances that could be considered a "normal" year.

The protocol was intended to allow the Finance Committee to take an oversight role by allowing more time for policy committees to undertake scrutiny and enable them to take more evidence from stakeholders.

Your willingness to avoid following this process again calls into question your commitment to these agreed practices, given that the timing of budget scrutiny in recent years has not made this possible.

Lack of consultation

We also note that you consulted the Committee on your decision to delay the publication of the Draft Budget 2023-24 last year. It is therefore regrettable that a similar approach was not adopted again.

In years when the Welsh Government considers delaying the publication of the Draft Budget and circumvents the two stage process outlined in the Protocol, the Committee expects mature discourse and meaningful consultation on such issues and not doing so casts doubt over commitments you have made previously to working constructively and in partnership to improve our budget processes.

Next steps

I welcome your willingness to revisit the publication dates of the Draft Budget if the Chancellor's announcement regarding the dates of an autumn fiscal event was sufficiently early to allow additional time for its preparation and scrutiny.

We will keep a close eye on these developments and hope that further clarity on the timing of these issues will lead to more time for scrutiny of your budget proposals as soon as possible in the autumn term.

I am copying this letter to the Trefnydd and the Chairs of Senedd Committees, given its impact on their work programmes and in light of the concerns and comments previously expressed on these issues.

Yours sincerely,



Peredur Owen Griffiths MS, Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu'n Saesneg.

We welcome correspondence in Welsh or English.



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Agenda Item 6

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

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