

Agenda – Local Government and Housing Committee

Meeting Venue:

Committee Room 5, Tŷ Hywel

Meeting date: 5 November 2025

Meeting time: 09.30

For further information contact:

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Hybrid

Private pre-meeting

09.15 – 09.30

1 Introductions, apologies, substitutions and declarations of interest

09.30

2 General ministerial scrutiny: Evidence session with the Cabinet Secretary for Housing and Local Government

09.30 – 10.30

(Pages 1 – 31)

Jayne Bryant MS, Cabinet Secretary for Housing and Local Government

Richard Baker, Deputy Director – Land, Welsh Government

Matthew Wellington, Deputy Director – Local Government Policy, Welsh Government

Michael Kay, Deputy Director – Elections, Welsh Government

Attached Documents:

Research brief

Paper 1: Written evidence from Welsh Government

3 Papers to note

10.30



3.1 Building Safety (Wales) Bill

(Pages 32 – 51)

Attached Documents:

Paper 2: Building Safety (Wales) Bill – Letter from the Cabinet Secretary for Housing and Local Government to the Chair of Finance Committee – 17 October 2025

3.2 Homelessness and Social Housing Allocation (Wales) Bill

(Pages 52 – 54)

Attached Documents:

Paper 3: Homelessness and Social Housing Allocation (Wales) Bill – Response from Welsh Government to the Legislation, Justice and Constitution Committee’s Stage 1 Report

3.3 Homelessness and Social Housing Allocation (Wales) Bill

(Pages 55 – 59)

Attached Documents:

Paper 4: Homelessness and Social Housing Allocation (Wales) Bill – Response from Welsh Government to the Finance Committee’s Stage 1 Report

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting

10.30

Private meeting

10.30 – 10.50

5 General ministerial scrutiny: Consideration of evidence

10.30 – 10.50

Document is Restricted



Evidence paper for Cabinet Secretary for Housing and Local Government for General Scrutiny at Local Government and Housing Committee

22/10/25

Information provided to aid the Committee in advance of the Cabinet Secretary's attendance for General Scrutiny on 5 November.

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1. Community Assets

1. In March 2024, the Welsh Government established a [Community Asset Commission](#) in partnership with Ystadau Cymru, following work undertaken by the Senedd's Local Government and Housing Committee.
2. On 24 September 2024, I issued a Written Statement outlining **progress** on key areas of work. This included details on the commission's structure, its main areas of focus, and the principal stakeholders involved.
3. The primary focus of the commission is buildings, land and natural assets. These include local facilities that bring people together and provide essential resources – assets such as libraries, museums, art centres, green spaces, and leisure centres. We are considering assets in the public, private, and voluntary sectors, as well as those under community ownership. The commission aims to understand the challenges that facilities may face, explore options for their ownership and management, and develop proposals to advance the community asset agenda.
4. While the workshops, interviews, and academic analyses have finished, the Commission's efforts are ongoing. The Task & Finish Group report and its recommendations will be presented to me in November which I will follow with a written statement before Christmas.

2. Corporate Joint Committees

Amendment to Local Government Act 2003

5. Following a public consultation and consideration of the responses, I decided to proceed to amend section 33 of the Local Government Act 2003 Act to include CJs in the list of local authorities under section 31 of that Act. This will enable Welsh Ministers to pay grants directly to CJs. The draft regulations were laid on 16 September, the Senedd debate took place on 14 October, and the Regulations came into force 20 October 2025.

2025-26 Funding

6. I am providing £800k (£200,000 per CJC) in 2025-26 to develop CJC capacity and governance arrangements. This is in addition to funding provided by other Welsh Ministers in respect of the development of regional transport plans totalling £800k (£200,000 per CJC) and £400k available to incentivise and accelerate strategic development plans.

3. Diversity in Local Government

Extending Job-share arrangements

7. Since removing the barriers to job-share arrangements within council executives, several councils have put job-share arrangements in place. We committed to consult on extending these arrangements to non-executive roles. In June, following a consultation, I issued a [statement](#) confirming there was broad support for the extension of the provisions and that I would look to make the necessary regulations and guidance to take this work forward. This work is underway.

Consultation on extending the duty on local authorities to broadcast meetings

8. Section 46(1) and (2)(a) of the Local Government and Elections (Wales) Act 2021 ("the 2021 Act") places a duty on principal councils (county councils and county borough councils) to put in place arrangements for the broadcasting of full council meetings so that members of the public who are unable to attend in person at the meeting can see and hear proceedings.
9. Alongside increasing public access to debate and decision making this broader access also holds the potential to encourage more people to be interested in the work of councillors and consider standing for office themselves. As currently only full council meetings are required to be broadcast, we are consulting on:
 - whether the duty on a principal council to broadcast meetings should be extended to include meetings other than that of the full council such as scrutiny committees;
 - whether there should be a duty imposed upon Fire and Rescue Authorities and/or National Park Authorities to broadcast their meetings and
 - whether there should be a retention period for recordings of broadcast meetings.
10. The consultation is due to close on 28 November and will inform future work.

Research into the socio-economic influences on democratic participation

11. On 24 September I published a [statement](#) alongside research into the [socio-economic influences on democratic participation in Wales](#). The aim of the research was to better understand barriers to political engagement and to encourage broader participation in the democratic process. Key barriers identified include:
 - Lack of early education in politics and limited exposure to civic life.
 - Opaque party selection procedures and complex electoral regulations.
 - Limited access to political networks and time constraints for campaigning.
 - Financial insecurity, especially for candidates who lose their seats.
 - Discrimination and hostility particularly affect individuals from minority backgrounds or with protected characteristics.

12. I am now considering how the outcome of this report can inform future work.

Review of multi-location meeting guidance for principal councils in Wales

13. The current guidance for principal councils was issued in the wake of the pandemic. Considering local authorities experience of implementing these arrangements, we are currently working with our partners in local government and the WLGA to revise the guidance to reflect lessons learnt.

14. It is important the guidance reflects the flexibility the arrangements provide for people to attend remotely, while ensuring the integrity of the process is preserved. While we recognise there have been several situations which have resulted in adverse news stories about councillors' behaviour, both inside and outside of council chambers, this remains an important tool to support of diversity. Remote and hybrid meetings provide opportunities for a broader range of people to become involved in democratic arrangements by allowing them to better balance their work and personal commitments. The way councillors conduct themselves at meetings, including the tone they adopt, can make a difference in terms of the wider interest in politics and attitudes to serving as councillors.

Abuse in Politics

15. I know members share my concern about the abuse, intimidation and harassment of councillors. It is important we take steps to improve their safety. The rising abuse poses a real threat to our democratic processes.

16. In March, I hosted a Local Government Democracy event which provided a number of suggestions about ways in which we can improve arrangements. I am continuing to work with partners to explore these suggestions and there will be further online events later this year, to ensure the broadest range of individuals are able to contribute to these discussions. The outcome of this broader conversation will inform a set of key actions. It will also inform the ongoing work of the Jo Cox Foundation with which we continue to work.

17. Given members' continued interest in this matter, I would be happy to host a drop-in session for members once these discussions are concluded to explore the actions proposed.

18. However, the threat is not limited to elected members, it is also a real threat to candidates for election. I recently hosted an Inter-Ministerial Group on Elections which included a focus on security. The Group reflected on learning from recent elections, and what more could be done to ensure the security of democratic processes. We are engaging with the UK Government's Defending Democracy Taskforce and Joint Election Security and Preparedness Unit. Officials are taking part in exercises and planning resilience structures for the election in 2026.

19. The Electoral Management Board, which we recently established in law, has set up an Elections Planning Group, which includes a focus on security of elections. It has invited the Police to meetings to support this. We have legislated to exempt security-related costs from campaign spending limits for Senedd elections. We will introduce the same exemption for local elections from 2027. This is some of

the work being taken forward in this area and I would be happy to consider any suggestions members have to strengthen arrangements.

Resettlement payments

20. The Local Government and Elections (Wales) Act 2021 includes a provision enabling resettlement payments to be made to councillors who choose to stand for re-election but lose their seat. The Democracy and Boundary Commission Cymru (the Commission) recently considered this matter and my officials are in discussion with the Commission about framework that will be required to be put in place through regulations.

4. Implementation of the Elections and Elected Bodies (Wales) Act

21. The Elections and Elected Bodies (Wales) Act has been almost wholly commenced, with the final provisions, relating to Automatic Voter Registration (discussed below) to be commenced in the coming months.

Electoral Management Board (EMB)

22. The Democracy and Boundary Commission Cymru established the EMB, under the Elections and Elected Bodies (Wales) Act 2024, and it became operational in 2025.
23. Chaired by Karen Jones, former Chief Executive of Neath Port Talbot County Borough Council, the EMB co-ordinates and support the administration of Senedd Cymru elections, local government elections in Wales and devolved referendums. It has established its workplan for the elections in 2026 and 2027 and is working well in providing support and coordination across Wales.

Elections Information Platform

24. The Welsh Elections Information Platform regulations came into force in March 2025. The regulations set out the information that should be on the platform and confer responsibility on the newly established EMB to be the platform operator.
25. The work of the EMB on the platform is ongoing, and a working group comprising representatives from local authority electoral services teams, the Association of Electoral Administrators and Welsh Government meet regularly to discuss the development and delivery of the platform for May 2026.

Welsh Government Diversity and Inclusion Guidance

26. The Welsh Government's Diversity and Inclusion Guidance for Registered Political Parties was published on 31 March 2025. The guidance encourages political parties to:
- Publish and review diversity and inclusion strategies for Welsh elections. This includes publishing their first strategy at least six months before the Senedd election in 2026 (Part 1)
 - Voluntarily collect and publish candidate diversity data for Senedd elections (Part 2)
 - Consider how they may increase women's representation in the Senedd (Part 3)
27. Parts 1 and 2 fulfil statutory duties under the Elections and Elected Bodies (Wales) Act 2024, while Part 3 is issued under powers in the Government of Wales Act sections 60 and 62.

28. The guidance provides a number of suggested actions, across four broad areas, for parties to take to encourage people from underrepresented groups to put themselves forward for selection. The four areas are: strategic planning; organisational culture; candidate assessment and selection and candidate support.
29. The Elections and Elected Bodies (Wales) Act 2024 specifies the Welsh Ministers must review the guidance from time to time. The Act also allows the Welsh Ministers to revise the published guidance at any time.

Pilot Candidate Diversity Grant

30. Under section 27 of the Elections and Elected Bodies (Wales) Act 2024 (EEB Act), Welsh Ministers have a duty to make arrangements for the provision of services to promote diversity in the protected characteristics and socio-economic circumstances of persons seeking elected office in devolved elections. The EEB Act provides that such services may include the provision of information, advice, training, coaching/mentoring, work experience, equipment, and assistance with tasks. This could involve providing individuals with financial support directly, or by providing financial assistance to third parties who provide these services.
31. Welsh Government are piloting a Candidate Diversity Grant which provides funding to organisations who provide services which support candidates from underrepresented groups to stand in devolved elections.
32. The pilot scheme opened on 26 September 2025 and will remain open for applications until 24 October 2025. The scheme is open to third sector organisations working in Wales (or proposing to work in Wales using grant funding) and is aimed at both the 2026 Senedd election and the 2027 local government elections, providing services to current and potential candidates.

Financial Assistance Scheme

33. The regulations introducing the Welsh Elections Financial Assistance Scheme Regulations came into force in July 2025. The scheme aims to remove barriers and promote equal opportunity for disabled people.
34. Key features of the scheme include:
- Independent Administration: The scheme will be operated by Disability Wales, ensuring impartiality and confidentiality.
 - Social Model of Disability: This approach will guide the type of support offered, focusing on removing barriers rather than defining limitations.
 - Comprehensive Support: From identifying needs to funding approved adjustments, the scheme will assist candidates throughout the election period—from nomination to the announcement of results.
35. The scheme, known as the Access to Elected Office Fund, opened for applications in September 2025 and includes:

- Help identifying necessary support.
- Assistance with completing applications.
- Fair assessment of requests to ensure equity.
- Provision of approved funding or services.

Reports by the Electoral Commission on Accessibility of Elections

36. The Act requires the Electoral Commission to set out the steps returning officers have taken to assist disabled voters at both Senedd and Welsh local elections, which will run in parallel with requirements placed on Returning Officers to provide equipment at polling stations in secondary legislation.

Automatic Voter Registration

37. Regulations to undertake pilots on Automatic Registration were passed by the Senedd in January 2025, and an Automatic Registration Pilots Working Group has been co-designing and overseeing the delivery of the pilots. The Working Group includes the four pilot authorities, Carmarthenshire, Gwynedd, Newport and Powys and the Welsh Government with support from the Association of Electoral Administrators and the Electoral Commission.

38. The four local authorities have concluded their pilot activity and the Electoral Commission will now prepare its evaluation for publication. The regulations passed by the Senedd give the Electoral Commission until 1 January 2026 complete its evaluation of the pilots and report to Welsh Ministers.

39. A further commencement order will be required to implement Automatic Voter Registration across Wales once the Welsh Government has considered the Electoral Commission's evaluation and any recommendations in full. It is intended for this Order to be introduced before the dissolution of the sixth Senedd to allow full roll out later in 2026.

Campaign Finance

40. The Codes of Practice on election expenses have been prepared by the Electoral Commission and will shortly be laid in the Senedd. These Codes of Practice are:

- Non-Party Campaigner Campaign Expenditure (Senedd Elections) Code of Practice 2025
- Individual Candidate Election Expenses (Senedd Elections) Code of Practice 2025
- Political Parties Campaign Expenditure (Senedd Elections) Code of Practice 2025

5. The role, governance and accountability of Town and Community Councils

41. In March 2025, the Local Government and Housing Committee submitted its report on its inquiry into the role, governance and accountability of the community and town council sector. The report includes 11 recommendations and 1 conclusion. I responded on 16 May agreeing with the recommendations and conclusion.
42. On 1 October I published a [Written Statement](#) providing an update on key areas of work. This included plans on standards of behaviour to address Recommendations 2 and 4. In respect of Recommendation 1, the statement also noted our intention to engage with Audit Wales, One Voice Wales, and the sector to review the audit processes.
43. In respect of Recommendation 5, also related to standards of behaviour, this is being facilitated through the Memorandum of Understanding between One Voice Wales and the WLGA. I am discussing progress at my next bilateral meeting with One Voice Wales.
44. The Welsh Government continues to work closely with One Voice Wales as partners with a mutual interest in supporting a well-governed and effective sector. As I noted in my initial response to Recommendation 3, I have provided One Voice Wales with £400,000 of unhypothecated funding in 2025-26 to enable them to innovate and be responsive to provide increased support to the sector, including training on Code of Conduct.
45. In response to the Committee's conclusion, the Welsh Government also continues to work closely with the Society of Local Council Clerks. I have provided the Society with £40,000 of unhypothecated funding in 2025-26 enabling the Society to offer clerks in Wales wider and more flexible options for training, learning and development, to help them fulfil their roles effectively. I am also using opportunities, such as the One Voice Wales and Society for Local Council Clerks conference on 12 November, to promote the support available.
46. As part of its 2025-26 work programme, the Democracy and Boundary Commission Cymru, is considering the current approach to council size policies across Wales in respect of community reviews (Recommendations 6). This will include the potential for a national council size policy. It is in its early stages, and the Commission has confirmed it will work collaboratively with others, including One Voice Wales and other appropriate organisations to ensure a wide variety of views are considered. The Welsh Government looks forward to receiving the outcome of this work including any recommendations that may be proposed to improve current arrangements.

47. With respect to work to incentivise and foster collaboration through cluster working (Recommendation 7), I believe One Voice Wales are best placed to use their networks and grant funding to identify and promote clustering opportunities. I will, of course, support and promote such opportunities in my engagements with them at their annual conferences and innovative practice awards. This activity will take time.
48. I am fully supportive of a refresh to the model charter (Recommendation 8) and believe a sector-led approach is the right way to achieve this. It is therefore for One Voice Wales and the WLGA to own work to review the charter, as opposed to Welsh Ministers.
49. In respect of Recommendation 9, I published a [Written Statement](#) on 17 July, providing an update on the Digital Health Action Plan. The update also included the next steps related to Recommendation 10, sharing of resources, which is being led by One Voice Wales and the WLGA, through their Memorandum of Understanding.
50. Recommendation 11 is part of the Welsh Government's rolling programme to review the impact of the Local Government and Elections (Wales) Act 2021. Any changes to legislation, however, will not be achievable in the current Senedd term due to the need to engage with and consult stakeholders to assess the potential impact of relaxing the requirements for annual reaffirmation. This will therefore be a matter for the next Senedd.



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS, Chair, Finance Committee

17 October 2025

Dear Peredur,

When I gave evidence on the Building Safety (Wales) Bill to the Finance Committee on 1 October, I agreed to write to you with further information on 3 matters:

1. A breakdown of the costs and benefits as stated in the Regulatory Impact Assessment, in relation to the specific policy requirements of the Bill.

Annex 1 sets out a breakdown of the costs in relation to the specific policy requirements of the Bill.

As I explained, we have not estimated the benefits of individual policy requirements, but Annex 2 sets out the method by which the monetised benefits of the Bill were estimated and why I believe the approach was appropriate.

2. A breakdown of the £25.51 million in administrative costs for the Welsh Government in relation to specific activities, and where it will incur ongoing costs.

Annex 1 also sets out a breakdown of administrative costs for the Welsh Government.

3. Clarification on whether any costs faced by leaseholders or residents in relation to the Bill will be outside of the rent cap.

For social housing that falls under the purview of the [Welsh Government's Rent and Service Charge Standard](#), service charges are not included in the rent cap. Service charges have to be identified separately to rent. We also require social landlords to ensure rent and service charges are affordable and reasonable for their tenants.

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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.

Thank you for the Committee's work on the Bill. I hope this information helps and I look forward to receiving the Committee's report in due course.

I am copying this to the Chairs of the Local Government and Housing Committee and the Legislation, Justice and Constitution Committee.

Yours sincerely

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

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

Annex 1: An estimate of costs arising from the Building Safety (Wales) Bill

Costs in relation to the specific policy requirements of the Bill

Table 1 shows an estimate of present value costs for each of the specific policy requirements of the Bill.

Table 1: 10yr NPV (£m) 2023 Prices

	Industry	Local Authorities	Fire and Rescue Authorities	Welsh Government	Total
Fire Safety Measures	£37.208	£0.000	£0.000	£0.000	£37.208
Safety Case & Building Certificate	£4.326	£0.623	£0.648	£0.000	£5.597
Golden Thread	£15.822	£0.000	£0.000	£0.000	£15.822
Building Registration Information	£0.404	£0.000	£0.000	£0.000	£0.404
Occurrence Recording and Reporting	£0.064	£0.066	£0.023	£0.035	£0.188
Duties on Residents	£9.418	£0.000	£0.000	£0.000	£9.418
Engaging Residents	£23.006	£0.000	£0.000	£0.000	£23.006
Providing systems to receive building safety complaints	£22.233	£1.262	£0.302	£0.000	£23.797
Sanctions and Enforcement	£1.939	£0.280	£1.474	£21.515	£25.208
Building Registration	£0.079	£2.347	£0.000	£0.485	£2.912
	£114.499	£4.578	£2.447	£22.034	£143.560
Familiarisation Costs	£1.296	£0.037	£0.017	£0.000	£1.350
	£115.795	£4.615	£2.464	£22.034	£144.910

Administrative costs for the Welsh Government in relation to specific activities

In present value, costs for Welsh Government are discounted from £25.51m to £22.03m. Table 1 includes a breakdown of the present value costs for Welsh Government.

Sanction and Enforcement accounts for £21.515m or 98% of the total. This is the estimated cost of the new regime to the Residential Property Tribunal (RPT). The estimate is uncertain, being based on assumptions about the number of cases which the RPT may be asked to consider. Officials are working with the Welsh Tribunals Unit and the RPT to fully understand additional resource implications. If the Bill is passed, we will keep these costs under review throughout the phased implementation period. This will be a recurring cost to Welsh Government.

Other costs for Welsh Government include £0.485m for the development of secondary legislation and guidance. This will be a transitional cost to Welsh Government.

Annex 2: Building Safety (Wales) Bill - Benefits Model: Assumptions, Methodology and Results

1.0 Introduction

1.1 This report outlines the methodology, underlying assumptions, and results of an assessment concerning the benefits associated with the occupation phase of the new building safety regime in Wales, as proposed under the Building Safety (Wales) Bill. It has been prepared to support the Finance Committee, specifically identifying which benefits have been monetised, and detailing the assumptions, methodologies, data sources, and evidence used in estimating the benefits of the Bill. To support understanding of the benefits calculation process, the report includes a worked example detailing the full sequence of benefit estimations for Category 1 buildings—defined as those exceeding 18 metres in height.

1.2 The analysis in the regulatory impact assessment (RIA) draws substantially on the methodology, data sources, and assumptions used in the analysis underpinning the UK Government’s Building Safety Act 2022 (referred to as the England analysis). Nonetheless, it also incorporates the distinct policy context of Wales and leverages data that reflects the unique conditions and circumstances specific to the Welsh setting.

2.0 Policy Options

The analysis conducted by Adroit Economics evaluates the costs and benefits of two new policy options, in comparison to the baseline scenario:

- **Option 1:** Business as usual (the counterfactual): this represents the current approach with no changes to existing policy.
- **Option 2:** Do minimum: Legislate to introduce a new regime in Wales focusing on the occupation phase of a building’s life cycle. The regime would cover the regulation of building safety risks in multi-occupied residential buildings of at least 18m. multi-occupied residential buildings under 18m and certain Houses in Multiple Occupation (HMOs) would be subject to the fire safety duties, including resident fire safety duties, but would be excluded from scope of the other duties in the regime.
- **Option 3:** Preferred option (the Bill): Legislate to introduce a new regime in Wales focusing on the occupation phase of a building’s life cycle. It would cover the regulation of building safety risks in multi-occupied residential buildings. There would be three categories of building in scope of the regime as set out in section 6 below. Certain Houses in Multiple Occupation (HMOs) would be subject to the fire safety duties but would be excluded from scope of the other duties in the regime.

3.0 Appraisal period

The following appraisal periods are used for costs and benefits estimation:

Costs – 10-year policy appraisal period

According to HM Treasury's Green Book, a 10-year appraisal period is standard for this type of policy intervention and is sufficient for a steady state to be reached where costs follow a broadly even profile over time and are relatively consistent annually beyond the 10-year appraisal period.

Benefits – 70-year appraisal period (10-year policy period and 60-year building lifespan)

The 70-year appraisal period used to assess benefits to capture benefits that accrue during the 10-year policy appraisal period and the benefits (such as, health and environmental) that may persist over the lifespan of a building, assumed to be 60 years. This 70-year appraisal period is also consistent with the Green Book guidance on 'persistence' of benefits over longer time periods.

4.0 Start year and price year

The analysis uses a start year of 2027-28 and a price year of 2023-24

5.0 Monetised benefits

The benefits analysis includes avoided costs due to reduced fire incidents that includes fatalities and injuries, adverse mental health and well-being impacts on directly and indirectly affected individuals, and non-health impacts including property damage, personal possessions loss, displacement, and other service costs. The benefits analysis specifically accounts for the following categories of health and non-health impacts:

- *Health Impacts*
 - Fatalities – residents
 - Serious Injuries – residents
 - Slight Injuries – residents
 - Injuries - rescue services
 - Mental health - depression – residents/non-residents
 - Mental health – screening costs
 - Mental health - treatment – residents
 - Mental health - treatment – non-residents
- *Non-Health Impacts*
 - Lost personal possessions
 - Temporary accommodation
 - Residents' meetings
 - Demolition of building
 - Rebuilding /renovating cost
 - Legal fees
 - Specialist recovery
 - Experts' investigation

- Lost rent from commercial space

In addition, the assessment in the RIA estimates the costs of structural incidents that could be avoided by the policy.

6.0 Methodology, Assumptions, and Data Sources

The steps, assumptions and evidence that are used in the benefits analysis are as follows:

Step 1: Categorising buildings in scope

For the purposes of this analysis, the buildings within scope have been categorised according to their height and size. Initially, they were classified into four broad groups: (i) Category 1 buildings – those measuring at least 18 metres in height or comprising a minimum of seven storeys; (ii) Category 2 buildings – those under 18 metres and fewer than seven storeys, but at least 11 metres or five storeys; (iii) Category 3 buildings – those below 11 metres in height and fewer than five storeys; (iv) Relevant Houses in Multiple Occupation (HMOs). For analytical purposes, category 2 and 3 classifications are further subdivided into three subcategories based on height and size:

- Large blocks of flats (containing more than 25 units) in 4-7 storeys buildings.
- Small blocks of flats (comprising between 6 and 25 units) in 1-3 storeys buildings.
- Converted houses (containing between 2 and 5 units).

This classification by height and size is essential, as these factors influence the potential number of occupants and dwellings that may be directly impacted in the event of a fire.

Step 2: Identifying common types of fire incident

The fire spread incident types adopted in the analysis are:

- Major incidents - apply to large category 1 and 2 buildings where the fire affects the whole building and there are many casualties.
- Medium incidents – apply to all buildings (including category 3 buildings and HMOs) where the fire affects the whole building, but there are a limited number of casualties, and
- Minor incidents – which apply to all buildings where the fire spreads beyond the room of origin but is limited to 1 or 2 floors.
- Fire ignitions in communal areas that start but do not spread.

In identifying fire spread types, the analysis builds upon the classification used in the England assessment—primarily focused on buildings 18 metres and above—and expands it to include additional categories relevant to multi-occupied buildings of all heights, reflecting the broader scope of the Welsh regime. The analysis also draws on data from the Welsh Fire Statistics to identify fire incidents that originate but do not result in further spread.

Step 3: Estimating the extent and scale of casualties and other losses associated with each type of fire spread incident

In assessing the impact of a major fire in a large multi-occupied residential building, this analysis adopts the same assumptions regarding the extent of damage and casualty profiles as those used in the England assessment. The England analysis compiled a

comprehensive list of loss types associated with major fire spread incidents by reviewing recent cases in similar buildings and incorporating findings from the Grenfell Tower Inquiry. The table below outlines the estimated scale of losses for an incident comparable to Grenfell Tower.

Table 1: Scale of Loss for an Accident Comparable to Grenfell Tower		
		Grenfell Tower Economic Costs
Type of impact	Type of unit	number of units
Health Impacts		
Fatalities – residents	number of persons	72
Serious Injuries – residents	number of persons	20
Slight Injuries – residents	number of persons	42
Injuries - rescue services	number of emergency personnel	114
Mental health - treatment - residents	number of residents	231
Mental health - op - screening	number of non-residents - family, friends, neighbours	11,000
Mental health - treatment - other	number of non-residents - family, friends, neighbours	3,630
Mental health - wellbeing - avoiding depression	number of non-residents - family, friends, neighbours	3,630
Non-Health Impacts		
Demolition of building	number of buildings	1
Rebuilding cost	number of flats	120
Lost personal possessions	number of flats	120
Specialist recovery	number of flats	120
Temporary accommodation	number of residents	231
Lost rent from commercial space	number of weeks	48
Experts' investigation	average cost of investigation	1
Legal fees	average cost of investigation	1
Residents' meetings	number of meetings	10

Consistent with the approach taken in the England analysis, this assessment assumes that only a proportion of impacts is likely to occur in future fire spread incidents, due to changes in Fire and Rescue Service strategies and evolving resident evacuation behaviours. This proportion is further adjusted based on building size, including the number of flats, and the extent of fire spread. The table below outlines the assumed

proportion of Grenfell Tower losses applicable to each fire incident type within Category 1 buildings -- those measuring over 18m height.

Table 2: Assumptions regarding proportion of Grenfell Tower losses to occur in each type of fire spread incident for Cat 1 buildings						
Type of impact	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	Minor incident - 2 floors	Minor incident - 1 floor
Health Impacts						
Fatalities – residents	25%	5%	*	0%	*	*
Serious Injuries – residents	25%	25%	*	0%	*	*
Slight Injuries – residents	25%	25%	*	0%	*	*
injuries - rescue services	25%	25%	5%	0%	0%	0%
mental health - treatment - residents	50%	25%	5%	0%	0%	0%
mental health - op - screening	50%	25%	5%	0%	0%	0%
mental health - treatment - other	50%	25%	5%	0%	0%	0%
mental health - wellbeing - avoiding depression	50%	25%	5%	0%	0%	0%
Non-Health Impacts						
Demolition of building	100%	100%	0%	0%	0%	0%
rebuilding cost	50%	50%	10%	10%	1%	0.5%
lost personal possessions	50%	50%	10%	10%	1%	0.5%
specialist recovery	50%	50%	10%	10%	1%	0.5%
temporary accommodation	50%	50%	10%	10%	1%	0.5%
lost rent from commercial space	50%	50%	10%	10%	1%	0.5%
experts' investigation	50%	50%	10%	10%	1%	0.5%
legal fees	50%	50%	10%	10%	1%	0.5%
residents' meetings	50%	50%	10%	10%	1%	0.5%

Regarding medium, minor fire incidents and fires in common areas in all multi-occupied residential buildings and HMOs, this analysis also draws on the incident level fire statistics for Wales which provide data on the number of casualties associated with different types of fires. The extent of damage is estimated in the analysis based on the size of the building (and number of flats) and on the extent of fire spread.

Step 4: Monetising the losses associated with each type of fire incident

This analysis incorporates findings from the England assessment, drawing on a combination of published statistics, evidence from the Grenfell Tower fire, and research into several recent major fire incidents. It also utilises additional metrics, including the average cost of a fire and reconstruction expenses. The economic cost per unit values applied to each impact type are presented in the following table and are gathered from the Department for Transport (DfT) TAG Databook, case studies, and consultants' industry expertise.

Table 3: Unit Values used in the Analysis for Each Type of Impact		
Type of impact	Type of unit	Economic cost per unit
Health Impacts		
Fatalities – residents	per person	£2,650,033
Serious Injuries - residents	per person	£294,835
Slight Injuries - residents	per person	£22,652
Injuries - rescue services	per person	£98,849
Mental health - treatment - residents	per person	£11,000
Mental health - op – screening - family, friends, neighbours	per person	£200
Mental health - treatment - family, friends, neighbours	per person	£6,000
Mental health - wellbeing - avoiding depression – residents, family, friends, neighbours	per person	£60,000
Non-Health Impacts		
Demolition of building	per building	£800,000
Rebuilding cost	per flat	£300,000
Lost personal possessions	per flat	£25,000
Specialist recovery	per flat	£2,000
Temporary accommodation	per resident	£1,200
Lost rent from commercial space	per week	£15,000
Experts' investigation	per building	£250,000
Legal fees	per building	£1,000,000
Residents' meetings	per meetings	£1,250

The economic costs of each type of fire incidents for the buildings in scope (e.g., Cat 1 buildings) are estimated by assigning economic cost per unit for each type of impact to the proportion of Grenfell Tower type incident losses assumed to occur for the building categories. For example, the economic costs of fatalities (residents) for a fire type (e.g., major incident with multiple fatalities) are estimated as follows: unit values of fatalities as shown in Table 3 (£2,650,033) * % of Grenfell Tower losses of Table 2 (25%) * number of fatalities of Table 1 (72) = £47m, and this provides the first entry of the following table which presents the estimated losses for each fire incident type within Category 1 buildings in Wales.

Table 4: Economic Costs of Fire Incidents for Cat 1 Buildings

Type of impact	Major incident - with multiple fatalities	Major incident - with reduced fatalities	Medium incident - with fatalities	Medium incident - without fatalities	Minor incident - 2 floors	Minor incident - 1 floor	Fires in common areas
Health Impacts							
Fatalities - residents	£47,700,599	£9,540,120	£441,672	£0	£82,814	£82,814	£ -
Serious Injuries - residents	£1,474,174	£1,474,174	£147,417	£0	£59,888	£59,888	£22,593
Slight Injuries - residents	£237,843	£237,843	£11,326	£0	£4,601	£4,601	£1,736
Injuries - rescue services	£2,817,183	£2,817,183	£563,437	£0	£0	£0	£ -
Mental health - treatment - residents	£1,270,500	£635,250	£127,050	£0	£0	£0	£ -
Mental health - op - screening	£1,100,000	£550,000	£110,000	£0	£0	£0	£ -
Mental health - treatment - other	£10,890,000	£5,445,000	£1,089,000	£0	£0	£0	£ -

Mental health - wellbeing - avoiding depression	£108,900,000	£54,450,000	£10,890,000	£25,200	£25,200	£ 25,200	£25,200
Total Health Costs, £m	£174m	£75m	£13m	£0.03m	£0.2m	£ 0.2m	£0.05m
Non-Health Impacts							
Demolition of building	£800,000	£800,000	£0	£0	£0	£0	
Rebuilding cost	£18,000,000	£18,000,000	£3,600,000	£3,600,000	£360,000	£180,000	£22,100
Lost personal possessions	£1,500,000	£1,500,000	£300,000	£300,000	£30,000	£15,000	
Specialist recovery	£120,000	£120,000	£24,000	£24,000	£2,400	£1,200	
Temporary accommodation	£138,600	£138,600	£27,720	£27,720	£2,772	£1,386	
Lost rent from commercial space	£360,000	£360,000	£72,000	£72,000	£7,200	£3,600	
Experts' investigation	£125,000	£125,000	£25,000	£25,000	£2,500	£1,250	
Legal fees	£500,000	£500,000	£100,000	£100,000	£10,000	£5,000	
Residents' meetings	£6,250	£6,250	£1,250	£1,250	£125	£63	£63
Total non-health costs, £m	£21.5m	£21.5m	£4.1m	£4.1m	£0.4m	£0.2m	£0.02m

Step 5: Scaling up –

In this final stage, the analysis estimates the number of fire incidents—and the related economic losses—expected to occur in applicable buildings across Wales over a 10-year policy appraisal period, both in the absence of the new building safety regime (counterfactual) and with its implementation. This stage involves estimating the baseline probability of fire incidents, assessing potential risk reductions over time through remediation under the baseline scenario, and additional risk mitigation through the policy measures. The outcome is a reduction in fire incidents attributed to the policy, along with the monetised value of those avoided incidents. The activities and assumptions underpinning both the counterfactual and policy scenarios are outlined below:

Without the Bill (Counterfactual) -- The annual probability of each fire incident type occurring across building categories in Wales is estimated using baseline figures from the England analysis, adjusted for Welsh proportion of the stock of buildings and fire statistics (pre-counterfactual scenario). Over the 10-year appraisal period, these probabilities are expected to decline due to increased remediation of at-risk buildings, improved building management, and enhanced resident engagement—particularly reducing the risk of fire spread in taller buildings (counterfactual scenario). Adjustments are made to reflect the varying relevance of remediations across building heights.

With the Bill (Policy Regime) -- The analysis anticipates a further reduction in fire spread risks through measures under the new regime. It assumes that principal accountable persons will proactively assess buildings and collaborate with residents to address identified issues. The Bill is expected to have the greatest impact on mitigating major fire incidents in Category 1 buildings, with more modest risk reductions in smaller buildings and less severe fire types, and adjustments are made to reflect this variation.

7.0 Illustrative calculations sequence for category 1 buildings at step 5 (Scaling up)

This section outlines a worked example demonstrating the methodology used to estimate the benefits—both in terms of reduced fire incidents and their associated economic value—attributable to the Building Safety Bill, beyond those expected under the counterfactual scenario. The example focuses on Category 1 buildings, with similar calculations applied to other building categories.

7.1 Estimating baseline fire incident probabilities (pre-counterfactual)

Baseline fire risks are assessed using historical data for the pre-policy (counterfactual) scenario. Major fire incident risks are adapted from England analyses and adjusted to reflect conditions in Wales. Medium and minor fire risks are derived from Welsh fire statistics covering the five-year period from 2018 to 2023.

Table 5: Estimated Risk of Fires - pre counterfactual (Baseline) - (% probability of fire occurring each year - historic data)

		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Incidents per annum	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	0.00030	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
Major incident (whole building loss)	0.00192	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019
Medium incident (casualties)	0.20000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Medium incident (no casualties)	0.27000	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700
Minor incident (2 floors)	0.07000	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Minor incident (1 floor)	0.96000	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600
Fires in common areas	5.38000	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800

7.2 Risk reduction for remediation efforts under the counterfactual scenario

An improvement in fire safety is expected even without the implementation of the Bill, driven by a proportion of remediated buildings, better building management, fire evacuation practices, and residents’ engagement. These efforts are particularly effective in reducing the risk of severe fire spread in taller buildings, with more limited impact on lower-rise structures. A risk reduction adjustment factor is applied to account for this variation.

Table 6: The anticipated improvement to fire safety without the Bill, based on the increasing proportion of buildings that are remediated (changes to the baseline counterfactual)

		yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10	
risk reduction		10%	20%	30%	40%	50%	55%	60%	65%	70%	70%	
relative risk of fire spread due to defect remediation compared to baseline fire statistics		90%	80%	70%	60%	50%	45%	40%	35%	30%	30%	
Gross impacts net of counterfactual												
Pack Page 16 Page 16	risk reduction adjustment factor	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10	
	Major incident 25% fatalities	100%	0.0003	0.0002	0.0002	0.0002	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
	Major incident (whole building loss)	100%	0.0017	0.0015	0.0013	0.0011	0.0010	0.0009	0.0008	0.0007	0.0006	0.0006
	Medium incident (casualties)	100%	0.1800	0.1601	0.1397	0.1194	0.0990	0.0900	0.0800	0.0700	0.0600	0.0603
	Medium incident (no casualties)	100%	0.2430	0.2161	0.1886	0.1612	0.1337	0.1215	0.1080	0.0945	0.0810	0.0814
	Minor incident (2 floors)	30%	0.0679	0.0658	0.0637	0.0615	0.0594	0.0585	0.0574	0.0564	0.0553	0.0553
	Minor incident (1 floor)	10%	0.9504	0.9408	0.9311	0.9213	0.9115	0.9072	0.9024	0.8976	0.8928	0.8929
	Fires in common areas	10%	5.3262	5.2727	5.2179	5.1631	5.1084	5.0841	5.0572	5.0303	5.0034	5.0041

7.2.1 Additional risk reductions under the policy regime

Further reductions in fire risk are attributed directly to the implementation of the Building Safety Bill, reflecting the enhanced safety measures it introduces.

Table 7- Assumptions on Further Risk Reduction for the Building Safety Bill

		yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Further risk reduction attributable to the Building Safety Bill		2%	5%	10%	15%	20%	30%	40%	50%	60%	75%
Risk reduction adjustment factor		yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	100%	2%	5%	10%	15%	20%	30%	40%	50%	60%	75%
Major incident - minor fatalities	100%	2%	5%	10%	15%	20%	30%	40%	50%	60%	75%
Medium incident (casualties)	75%	2%	4%	8%	11%	15%	23%	30%	38%	45%	56%
Medium incident (no casualties)	50%	1%	3%	5%	8%	10%	15%	20%	25%	30%	38%
Minor incident (2 floors)	50%	1%	3%	5%	8%	10%	15%	20%	25%	30%	38%
Minor incident (1 floor)	25%	1%	1%	3%	4%	5%	8%	10%	13%	15%	19%
Fires in common areas	50%	1%	3%	5%	8%	10%	15%	20%	25%	30%	38%

7.4 Estimating the reduction in fire incidents

The reduction in fire incidents is calculated by applying the risk reduction percentages (as shown in Table 7) to the counterfactual probabilities of fire incidents (Table 6).

Table 8- Resulting Reduced Number of Incidents for the Building Safety Bill

	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0001	0.0001	0.0001
Major incident - minor fatalities	0.0000	0.0001	0.0001	0.0002	0.0002	0.0003	0.0003	0.0003	0.0003	0.0004
Medium incident (casualties)	0.0027	0.0060	0.0105	0.0134	0.0149	0.0203	0.0240	0.0263	0.0270	0.0339
Medium incident (no casualties)	0.0024	0.0054	0.0094	0.0121	0.0134	0.0182	0.0216	0.0236	0.0243	0.0305
Minor incident (2 floors)	0.0007	0.0016	0.0032	0.0046	0.0059	0.0088	0.0115	0.0141	0.0166	0.0207
Minor incident (1 floor)	0.0048	0.0118	0.0233	0.0345	0.0456	0.0680	0.0902	0.1122	0.1339	0.1674
Fires in common areas	0.0533	0.1318	0.2609	0.3872	0.5108	0.7626	1.0114	1.2576	1.5010	1.8765

7.5 Estimating the monetised value of avoided accidents

To quantify the economic benefits or avoided costs, the cost per fire incident type is applied to the estimated reduction in incidents, yielding the total monetised value of avoided fires under the policy regime.

Table 9- Monetised Value (£) of avoided incidents

Health Impacts	cost per incident	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	174,390,000	927	2,062	3,600	4,613	5,101	6,955	8,243	9,016	9,273	11,642
Major incident - minor fatalities	75,150,000	2,597	5,776	10,082	12,920	14,289	19,481	23,088	25,253	25,975	32,609
Medium incident (casualties)	13,430,000	36,261	80,629	140,753	180,370	199,481	271,958	322,320	352,538	362,610	455,231
Medium incident (no casualties)	30,000	73	162	283	363	401	547	648	709	729	915
Minor incident (2 floors)	180,000	122	296	573	831	1,069	1,578	2,066	2,536	2,986	3,735
Minor incident (1 floor)	180,000	855	2,117	4,190	6,219	8,204	12,247	16,243	20,196	24,106	30,136
Fires in common areas	50,000	2,663	6,591	13,045	19,362	25,542	38,131	50,572	62,879	75,051	93,827
Total (non-discounted)		40,836	97,633	159,480	205,315	228,546	312,765	372,609	410,247	425,678	534,268
PV (Discounted value)		£0	£35,753	£77,147	£130,504	£161,077	£193,089	£255,042	£295,212	£314,525	£373,363
Non-Health Impacts											
Major incident 25% fatalities	21,550,000	115	255	445	570	630	859	1,019	1,114	1,146	1,439
Major incident - minor fatalities	21,550,000	745	1,656	2,891	3,705	4,098	5,586	6,621	7,242	7,448	9,351
Medium incident (casualties)	4,150,000	11,205	24,915	43,494	55,736	61,642	84,038	99,600	108,938	112,050	140,671
Medium incident (no casualties)	4,150,000	10,085	22,424	39,145	50,162	55,478	75,634	89,640	98,044	100,845	126,604
Minor incident (2 floors)	410,000	278	675	1,305	1,892	2,435	3,595	4,707	5,776	6,802	8,507
Minor incident (1 floor)	210,000	998	2,470	4,888	7,255	9,571	14,288	18,950	23,562	28,123	35,159
Fires in common areas	20,000	1,065	2,636	5,218	7,745	10,217	15,252	20,229	25,152	30,020	37,531
Total (non-discounted)		24,490	55,031	97,386	127,066	144,070	199,252	240,765	269,826	286,435	359,260
PV (Discounted value)		24,490	53,170	90,911	114,606	125,549	167,765	195,863	212,081	217,522	263,600
Total Discounted Benefits (cumulative)	19,683,620										

In addition to these benefits, the discounted avoided costs for structural incidents in category 1 buildings are estimated at approximately £136k.

A comparable sequence of calculations is undertaken to estimate the monetised value of avoided costs as result of reduced fires for other building types, including 4–6 storey buildings and buildings under 4 storeys.

8.0 Non-monetised Benefits

As mentioned in the RIA, several identified benefits have not been monetised due to insufficient evidence to support reliable estimation or because detailed analysis was deemed disproportionate. These may be monetised in future in post-evaluation stage, subject to the availability of robust data.

- **Enhanced resident well-being:** A key non-monetised benefit is the anticipated improvement in residents' sense of safety within multi-occupied buildings, reducing anxiety about fire risks. This outcome is expected through proactive safety measures, improved communication, efficient complaint handling, and the establishment of building safety authorities. Quantifying this benefit remains challenging due to the complexity and cost of gathering preference-based evidence.
- **Increased confidence in mortgage and insurance markets:** The regime may strengthen mortgage and insurance markets by enabling lending against previously excluded properties and reducing insurance premiums through clearer risk differentiation. While evidence on post-remediation insurance costs is mixed, improved confidence could stimulate further investment in affected buildings.
- **Lower firefighting costs:** A reduction in fire incidents would decrease operational costs for Fire and Rescue Services, particularly for retained firefighters who are compensated per response. Avoided fires also reduce expenditure on fuel, materials, and equipment wear.
- **Environmental protection:** Fewer fires would lead to reduced use of firefighting chemicals, thereby lowering environmental contamination and associated health risks.
- **Reduced enforcement costs:** Competency requirements for fire risk assessors and clearer accountability for buildings over 11 metres are expected to streamline inspections and enforcement.
- **Improved sector intelligence:** Enhanced recording and reporting of safety incidents will promote shared learning and provide authorities with better insights into systemic safety issues.

9.0

Total Estimated Benefits of the Building Safety Bill

Total Benefits (in present value), £		
	Option 2	Option 3
7 storeys+	£19,820,068	£19,820,068
4-6 storeys	£3,228,855	£6,809,985
Under 4 storeys	£30,307,711	£34,328,225
HMO	£1,645,106	£1,645,106
Total benefits	£55,001,740	£62,603,384

While these figures provide valuable insight, they do not capture the full picture as many potential benefits are not monetised due to the lack of evidence and data constraints. For example, in the assessment included in the RIA, certain benefits—particularly the broader reduction in anxiety and the enhanced well-being of residents who feel reassured about the safety of their buildings—could not be monetised. Had all these intangible benefits been quantified, they would have contributed toward closing the benefit-cost gap or even shown that the benefits outweigh the costs.

10.0 Concluding Remarks and Limitations of the Assessment

The benefits analysis conducted by Adroit Economics evaluates the Building Safety Bill as a complete set of measures. Due to limited supporting evidence and data constraints, it is challenging to isolate and attribute specific benefits to individual policy components—for instance, there is insufficient supporting evidence to quantify the fire risk reduction resulting solely from increased resident engagement or golden thread information. However, this comprehensive approach could be useful in shaping the design and focus of the post-implementation review, particularly when more context-specific data will be available for England and Wales.

It is further important to note that the cost and benefit estimates in the RIA are based on provisional assumptions regarding the operational characteristics of the proposed regime. These assumptions have been reviewed and refined in consultation with key stakeholders, including representatives from industry, the UK Government, the Health and Safety Executive, Community Housing Cymru, Welsh local authorities, the Welsh Local Government Association, and Welsh fire and rescue authorities. Despite these efforts, a degree of uncertainty remains. Specifically, assumptions related to fire risk profiles for the buildings in scope, % of risk reductions over years, risk adjustments for fire and building types, and potential loss estimates are inherently uncertain. While the extent of uncertainty varies across individual assumptions, it collectively contributes to variability in the overall cost-benefit estimates.



Llywodraeth Cymru
Welsh Government

Ref: PO/JB/539/2025

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff
CF99 1SN

30 October 2025

Dear Mike,

I am grateful to the Legislation, Justice and Constitution Committee for your consideration of the Homelessness and Social Housing Allocation (Wales) Bill. I have set out my response to your recommendations and your conclusions below. I welcome and appreciate the considered and pragmatic recommendations of the Committee, which will help inform further scrutiny of the Bill as we approach the General Principles debate. I hope this response is of assistance to the Committee on the points raised.

As well as responding to your specific recommendations and conclusions, I also note the concerns of the Committee in relation to how accessible the Bill is, when read on its own. During the drafting process, careful consideration was given to replacing Part 2 of the Housing (Wales) Act 2014, rather than amending it. However, on balance, we felt that amending the 2014 Act was a preferable approach.

It is important to note that the Bill doesn't just amend the 2014 Act, it also amends the Housing Act 1996 and, to a lesser extent, the Social Services and Well-being (Wales) Act 2014. As we discussed during my evidence sessions, local authorities and service providers are very familiar with the existing legislation, and amending it draws attention to the proposed changes and areas of the law that are staying the same. It is my view that amendments to the current law will enable smoother implementation.

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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.

Recommendation 1: The Cabinet Secretary should respond to the report at least two working days before the Stage 1 general principles debate takes place.

Response: Accept

I acknowledge the prompt publication of the Committees findings, and I am pleased to provide this response by your deadline.

Recommendation 2: The Bill should be amended so that the Welsh Ministers are required to report to the Senedd, by no later than the end of 2028, on the steps taken by the Welsh Government in progressing towards full implementation of the Act. The Bill should also be amended so that a further report is required to be laid before the Senedd by the end of 2029 which provides an update on the progress being made in implementing the Act. This progress report must include details of any delays to implementation that were outlined in the first report and the reasoning for these delays.

Response: Accept in principle

I note the concerns of the Committee in relation to implementation of this legislation (should it be passed by the Senedd and enacted). As discussed during my evidence session and, as you acknowledge in your report, there will be challenges to implementation related to the readiness of the sector and the extensive structural reform required. Your recommendation will provide clarity and transparency to both the Senedd and our stakeholders around progress of the Act and strengthen accountability of the Welsh Ministers. I have instructed my officials to draft an amendment.

Recommendation 3: The Bill should be amended so that the Welsh Ministers are required to evaluate the Act, including its effectiveness in delivering its objectives, by the end of 2033

Response: Accept in principle

I am committed to evaluating this legislation. The Explanatory Memorandum sets out several ways in which we will monitor implementation, as it is crucial that we understand the impact of the Act in relation to our policy intention. I am happy to make this explicit on the face of the Bill and have instructed my officials to draft an amendment.

Recommendation 4. The Bill should be amended so that regulations made under section 160A of the Housing Act 1996, as amended by section 35 of the Bill, are subject to the Senedd approval procedure.

Response: Accept

Recommendation 5. The Bill should be amended so that regulations made under new sections 160D and 160E of the Housing Act 1996, as inserted by section 38 of the Bill, are subject to the Senedd approval procedure.

Response: Accept

I have asked my officials to prepare an amendment so that regulations made under section 160A of the Housing Act 1996, as amended by section 35 of the Bill, are subject to the Senedd approval procedure and that regulations made under new sections 160D and 160E of the Housing Act 1996, as inserted by section 38 of the Bill, are subject to the Senedd approval procedure.

Conclusion 1. We note the Cabinet Secretary's comments in respect of the Bill's impact on human rights but believe that, as a matter of good practice, an Explanatory Memorandum should always include a commentary on the consideration given to such implications.

The Welsh Government carries out a full Human Rights assessment before introduction of any Bill as part of its thorough assessment of legislative competence. The Senedd's Business Committee are considering explanatory materials as part of their review of the legislative scrutiny processes for Public Bills and Member Bills, which the Welsh Government is engaging with.

Conclusion 2. While we acknowledge the reasoning provided by the Cabinet Secretary as to why a full and final list of public bodies expected to be subject to the 'ask and act duty' is not already specified on the face of the Bill, we consider this to be regrettable from an accessibility of law point of view.

It is important to note that should the list be amended in the future, any amendment will be to the face of the Bill, which may address the concerns of the Committee in relation to accessibility.

Once again, I am grateful for the Committee's consideration of the Bill. I look forward to continuing to work with Committee Members as we proceed through the Senedd scrutiny process. I am copying this letter to the Chair of the Finance Committee and Chair of the Local Government and Housing Committee.

Yours sincerely,

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

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

Ref: PO/JP/539/2025

Peredur Owen Griffiths MS
Chair
Finance Committee
Senedd Cymru
Cardiff
CF99 1SN

30 October 2025

Dear Peredur,

I am grateful to the Finance Committee for your consideration of the Homelessness and Social Housing Allocation (Wales) Bill and the conclusion that you are broadly content with the financial implications of the Bill, as set out in the Regulatory Impact Assessment, subject to the comments and recommendations in your report. Of course, should there be significant changes to the Regulatory Impact Assessment because of the recommendations made in your report, I would welcome further consideration of the Committee.

I have set out my response to your recommendations below.

Recommendation 1: The Committee recommends that the Cabinet Secretary conducts a sensitivity analysis in relation to the public sector cost of homelessness showing the potential range of costs, and that this information is included in an updated Regulatory Impact Assessment, after Stage 2.

Response: Accept

I note the concerns of the Committee that we have been unable to estimate the benefits of individual sections of the Bill and the range of uncertainty within our estimates. As you note, we have estimated the benefits of the Bill in its entirety, using switching analysis of a core scenario related to homelessness prevention and relief rates over time.

I am confident that we have exhausted available evidence sources for our estimates and maintained high standards of rigour within our evidential standards. Following publication of a draft Regulatory Impact Assessment to support our White Paper consultation, we made significant revisions to our estimates based on feedback from stakeholders.

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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.

Based on the data we have, I am of the strong view that the 3% growth rate estimate in the RIA represents the best estimate despite the data issues we have flagged. However, in light of your recommendation, I have instructed my officials to consider different growth rate assumptions and the impact these may have on the cost projections. I will include this information in the revised RIA at the end of Stage 2.

Recommendation 2: The Committee recommends that the Cabinet Secretary:

- **confirms what she considers to be the initial years of the implementation period in terms of the provision of Welsh Government funding to support local authorities, and**
- **provides assurances that the Welsh Government will continue to provide funding to support local authorities should funding deficits arise as a result of financial benefits not being realised at the pace identified in the Regulatory Impact Assessment.**

Response: Accept in principle

Implementation period

The RIA assumes a ten-year implementation period for the proposed reforms and takes account of costs and benefits across this period. Implementation will be phased and is likely to be grouped into four main stages.

Phase	Purpose	Timing
Pre-implementation period	Activity to prepare for transition between Housing (Wales) Act 2014 and the Homelessness and Social Housing Allocation (Wales) Act.	Following Royal Assent (approx. March 2026 and March 2027)
Phase 1	Prevention, support and allocations provisions brought into force.	2027-2028
Phase 2	Implementation of “ask and act.”	2028-2029
Phase 3	Abolition of the priority need and intentionality tests.	By or before 2030-2031

The phased approach will allow the prioritisation of provisions aimed at increasing prevention and flow out of the system (to relieve the pressure the system is currently experiencing) before enacting other reforms which may make new demands on the system, such as the changes proposed to the priority need and intentionality tests. I expect the wider financial benefits of the Bill to outweigh the costs by 2028-2029 but recognise that, as the Bill will not be fully implemented at this stage, specific, targeted investment for phase 3 will be required until full implementation is complete before or by 2030-2031.

Funding

Future funding will be a matter for future Governments. However, I accept in principle that a future Welsh Government should continue to provide funding to support local authorities should funding deficits arise as a result of financial benefits not being realised at the pace identified in the Regulatory Impact Assessment.

Recommendation 3: The Committee recommends that the Cabinet Secretary provides:

- a breakdown of the additional funding provided to local authorities in preparation for the Bill, to date, including the activities undertaken with this funding, and;
- further details about how, and when, additional funding to support implementation of the Bill will be distributed to local authorities to reflect their individual needs.

Response: Accept in principle

Work on this Bill is rooted in stakeholder engagement dating back almost a decade and was expedited, in part by the response of the Welsh Government to the Covid-19 pandemic and our 'no one left out' policy. This policy transformed our response to homelessness, almost overnight, and the Bill is a key lever in ensuring the transformation made at that time, is sustained. In the period since the pandemic, we have supported local authorities to sustain this practice through their statutory homelessness response, by providing additional grant funding towards temporary accommodation, increased prevention and strategic co-ordination. This funding supplemented local authority's funding awarded through the Local Government Revenue Support Grant settlement. From 2025/26, this grant funding, totalling £21.32m, was moved into the Revenue Support Grant (RSG) in recognition of it supporting the statutory homelessness response.

I recognise that local authorities will need to undertake pre-implementation activities to prepare for the new legislation and the RIA sets out an estimated cost of just over £2 million pounds for this within the next financial year. The Committee will note that the Cabinet Secretary for Finance and Welsh Language will set out the Welsh Government's detailed draft budget for 2026-27 on 3 November and I will be happy to update the Committee following that announcement.

Recommendation 4: The Committee recommends that the Cabinet Secretary provides details of restructuring activities already underway in some local authorities in preparation for the Bill's implementation, including the costs that have already been incurred, and confirms whether these costs are reflected in the Regulatory Impact Assessment.

Response: Accept in principle

Several local authorities have begun preparation for implementation of this Bill. We understand numerous authorities are now working to a six-month prevention period, including (but not limited to) Ynys Mon, Neath Port Talbot, Cyngor Gwynedd, Wrexham and Cardiff. Ynys Mon are also utilising an online system to make personal housing plans more accessible in preparation for the introduction of Prevention, Support and Accommodation Plans. Cyngor Gwynedd have integrated housing support and homelessness functions into a single role providing early, proactive support. We are aware of several authorities improving their multi agency partnership work and strengthening relationships with housing providers in readiness for the allocations provisions.

Whilst we encourage and commend the local authorities who are undertaking this work, we have not required them to do so and we do not, therefore, have any information on the costs of these changes and they are not included in the Regulatory Impact Assessment. We have estimated the full cost of implementation of the reforms and have not adjusted for any work already undertaken by particular authorities to deliver the legislation. We will continue to engage closely with local authorities and any resulting data will inform further revision of the RIA.

Recommendation 5: In relation to Common Housing Registers, the Committee recommends that the Cabinet Secretary works with local authorities to:

- **agree the standardised information to be included in all registers and identify any gaps in the information currently collected by existing registers, and**
- **confirm whether the requirement to maintain a Common Housing Register remains cost neutral for those local authorities currently operating registers.**

Response: Accept

The Bill will allow Welsh Ministers to introduce regulations specifically related to technical aspects of Common Housing Registers, including specifying the information they must hold. Such regulations will be developed with close engagement with local authorities to determine the types of information required to ensure effective prioritisation of applicants and the allocation of accommodation. This will ensure minimum standardised information requirements are established across all local authorities across Wales. Changes can be made over time in response to any gaps identified in the future.

The purpose of Common Housing Registers is to ensure a single accessible route for people to apply for social housing within an area. However, a single shared register also promotes efficiency and potential resource savings for local authorities and their housing partners. I do not believe this proposal will require additional costs for local authorities already operating Common Housing Registers.

My officials are in the process of finalising our pre-implementation workplan for financial year 2026-2027. It prioritises further stakeholder engagement on Part 2 of the Bill, including our commitment to Common Housing Registers. In light of your recommendation, we will seek to expedite this engagement and I will update the Committee further as this work progresses.

Recommendation 6: The Committee recommends that the Cabinet Secretary clarifies her approach to monitoring and reviewing the implementation of the Homelessness and Social Housing Allocation (Wales) Bill, including the proposed timescales.

Response: Accept

I was pleased to accept in principle, two recommendations from the Legislation, Justice and Constitution Committee and a recommendation from the Local Government and Housing Committee in relation to post implementation review. My officials are preparing amendments in relation to these recommendations, which I believe assist in clarifying our approach to monitoring and review of the legislation. As I outlined during my evidence session, we will consider the actual costs and benefits as part of the post-implementation review and our ongoing evaluation work.

I am grateful to the Finance Committee for your recommendations, and I hope you are assured of my commitment to robustly assess the costs of this Bill, alongside, its significant benefits. I trust this response helps to inform further scrutiny of the Bill as we approach the General Principles debate and I hope it is of assistance to the Committee on the points raised.

I am copying this letter to the Chair of the Local Government and Housing Committee and Chair of the Legislation, Justice and Constitution Committee.

I look forward to continuing to work with Committee Members as we proceed through the Senedd scrutiny process.

Yours sincerely,

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

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government