

# Agenda – Equality, Local Government and Communities Committee

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Meeting Venue:

**Committee room 2**

Meeting date: Wednesday, 7 June  
2017

Meeting time: 08.55

For further information contact:

**Naomi Stocks**

Committee Clerk

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Pre-meeting (08.55 – 09.05)

- 1 Introductions, apologies, substitutions and declarations of interest**
- 2 Inquiry into poverty in Wales: Communities First – lessons learnt – evidence session 1**  
(09.05 – 10.05) (Pages 1 – 19)

Tim Peppin, Director of Regeneration and Sustainable Development, Welsh Local Government Association

Tina McMahon, Senior Community Regeneration Manager, Caerphilly County Borough Council

Gareth Davies, Performance and Outcomes Manager, Torfaen County Borough Council

- 3 Inquiry into poverty in Wales: Communities First – lessons learnt – evidence session 2**  
(10.05 – 11.05) (Pages 20 – 24)



Dr Eva Elliott, Senior Lecturer in Social Sciences, Wales Institute of Social & Economic Research, Data and Methods (WISERD), School of Social Sciences, Cardiff University

Break (11.05 – 11.10)

#### **4 Inquiry into poverty in Wales: Communities First – lessons learnt – evidence session 3**

(11.10 – 12.10)

(Pages 25 – 35)

Russell Todd, Communities First Manager, Wales Council for Voluntary Action (WCVA)

Anna Nicholl, Director of Strategy and Sector Development, Wales Council for Voluntary Action (WCVA)

Dr Victoria Winckler, Director, Bevan Foundation

#### **5 Paper(s) to note**

**Note of visits in relation to Communities First – lessons learnt**

(Pages 36 – 43)

**Correspondence with the Cabinet Secretary for Communities and Children in relation to Communities First – lessons learnt**

(Pages 44 – 47)

**Notes of group discussions with tenants in relation to the Abolition of the Right to Buy and Associated Rights (Wales) Bill**

(Pages 48 – 64)

**Letter from the Cabinet Secretary for Communities and Children in relation to the Abolition of the Right to Buy and Associated Rights (Wales) Bill**

(Pages 65 – 68)

**Letter to the Cabinet Secretary for Communities and Children in relation to the Abolition of the Right to Buy and Associated Rights (Wales) Bill**

(Pages 69 – 70)

**Letter from the Cabinet Secretary for Finance and Local Government in relation to Human Rights in Wales**

(Pages 71 – 72)

**Letter from the Cabinet Secretary for Finance and Local Government in relation to reforming local government**

(Pages 73 – 74)

**Letter from the Chair of the Petitions Committee in relation to current petitions**

(Pages 75 – 77)

**6 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from the remainder of the meeting**

**7 Inquiry into poverty in Wales: Communities First – lessons learnt – consideration of evidence received under items 2, 3 and 4**

(12.10 – 12.30)

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**Ein Cyf /Our Ref:**

**Eich Cyf /Your Ref:**

**Dyddiad /Date:**

**Gofynnwch am/Please ask for:**

**Llinell uniongyrchol/Direct line:**

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16.05.2017

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CLILC • WLGA

Chloe Davies  
National Assembly for Wales  
National Assembly for Wales  
Cardiff Bay  
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Dear Chloe

## **Equality, Local Government and Communities Committee – Inquiry into Communities First – lessons learnt**

Following the Local Elections held on the 4<sup>th</sup> of May, we are currently awaiting the outcome of individual Local Authorities' Annual General Meetings prior to the WLGA AGM to be held on Friday the 23<sup>rd</sup> of June to determine our political make-up, including the nomination and approval of the Association's political leadership and spokespeople.

However, we wanted to respond to your request for evidence to inform the work of the committee so this submission is an officer view of the Communities First programme.

### **What worked and didn't work about the Communities First programme**

There are many positive aspects of the Communities First programme. The relatively long term financial commitment from Welsh Government has enabled Communities First staff and partner organisations to focus on specific areas across Wales and build up a strong brand, well known in the communities and amongst professionals from a wide range of organisations in the public, private and third sector.

The 'ask' of the Communities First programme by Welsh Government was considered by some to be too great given the multiple deprivation existing in the Communities First areas. At the outset the programme objectives were not clear – was the programme about people or places, capacity building or job creation or community development or economic development? It could be argued that this lack of clarity and unrealistic expectations surrounding the programme has been counterproductive leading to a negative perception of the programme and criticism that the programme has

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**Croesawn ohebiaeth yn y Gymraeg a'r Saesneg a byddwn yn ymateb i ohebiaeth yn yr un iaith.**

**Ni fydd defnyddio'r naill iaith na'r llall yn arwain at oedi.**

We welcome correspondence in Welsh and English and will respond to correspondence in the same language.

Use of either language will not lead to a delay.

not “turned around” these areas of deprivation. Communities First staff have come from a range of different backgrounds which has had an influence on the CF work programme at a local level. This factor also impacts on the success of some projects as there will officers that have a natural ability to engage with individuals and communities with multiple needs whereas others less so.

That said, the initial 10 year funding commitment resulted in Communities First becoming a programme supportive of the community with an in-depth understanding of issues. The CF programme relies heavily on the relationships between communities and CF staff. Importantly a trust has been built up over time between CF staff and the communities in which they work. CF staff has the ability to engage with hard to reach groups and are a key source of referrals into other services. The knowledge that CF staff have of the available provision being delivered by a range of service delivery bodies gives Communities First staff a unique role matching the needs of individuals and groups to resources.

The geographical focus of first CF programme promoted a place based approach to deprivation based on the Welsh Index of Multiple Deprivation. The refocus on the themes of Prosperous, Learning and Healthier Communities saw key features of the initial programme such as CF partnerships and empowering communities and individuals becoming less important. This approach has been more restrictive way of working for CF staff.

The impact of the Communities First programme has been difficult to quantify and therefore difficult to justify continuing funding. The work of Communities First staff has been incredibly varied across Wales which makes measuring results complex. There have been improvements to the performance reporting framework in recent years including capturing individual case studies which has been welcomed. However, reporting against the KPIs created a performance led programme with little room for flexibility.

Not all local authorities (with CF areas) are the Local Delivery Body for the CF programme. Where this is not the case, co-ordination of CF activity and the work of the Local Authority across departments has taken place but this co-ordination has perhaps been more focused at the project level rather than at a strategic level. This may have resulted in lost opportunities for joint working on strategies and plans.

### **How local authorities will decide which projects continue to receive funding after June 2017**

Future funding through the Legacy Fund is limited at £6 million in 2018/19 and 2019/18 and distributed in proportion to the current CF budget. Therefore, it is likely local authorities and partners will need to identify additional funding to retain many of the CF operations.

Many local authorities are working through their Public Service Boards and working through a process to identify the unique role that CF has and what will subsequently be lost and cannot be picked up by another organisation – this should be the starting point for consideration of Legacy funding.

To enable options to be presented to the PSBs, local authorities are facilitating discussions between partner organisation’s to understand what is important to retain.

**Croesawn ohebiaeth yn y Gymraeg a'r Saesneg a byddwn yn ymateb i ohebiaeth yn yr un iaith.**

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Welsh Government has issued transition guidance. The document refers to planning for the cessation and phasing out of projects and the staff implications. Whilst it suggests LAs should look at transitioning key staff to other parts of the organisation there is no recognition of (i) the lack of resource in LAs and (ii) the fact that some staff (probably the best ones) could leave for other jobs, impacting on the ability to deliver in the wind-down period which is a common 'end of programme' problem and the continuation of Legacy projects.

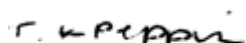
The potential impact on CF team morale should not be underestimated. The Legacy Fund and other funds may help to address this to an extent by providing some certainty for some staff but staff need to understand future employment opportunities at the earliest opportunity to prevent the loss of staff together with their years of experience. Local authorities have requested further details from Welsh Government regarding Legacy funding and Employability grant as a matter of priority to assist their workforce planning.

The new Employability grant will be available to those local authorities that do not currently have Communities First – Monmouthshire, Ceredigion and Powys. These local authorities do not have a CF scheme to build upon so it is important that they are properly supported and resourced to enable them to take advantage of available funding.

**How different poverty reduction programmes (Communities for Work, Lift, Flying Start etc.) will change as a result of the end of Communities First**

Many of the poverty reduction programmes came into being after the start of the CF Programme and have benefited from having in place the CF networks and CF signposting. Once CF is phased out the important role played by CF will become clearer. The CF programme has links with so many different networks in so many different ways that the remaining programmes and new initiatives need to be flexible to ensure that any critical gaps (due to the phasing out of CF) can be plugged swiftly.

Yours sincerely



**Tim Peppin**  
**Director of Sustainable Development and Regeneration**

# Agenda Item 3

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau

Equality, Local Government and Communities Committee

ELGC(5)-17-17 Papur 2/ Paper 2

1. I am a Senior Lecturer and researcher based in the Wales Institute of Social & Economic Research, Data & Methods (WISERD)<sup>1</sup> at Cardiff University School of Social Sciences. I have worked in the field of health inequalities and, in terms of interventions, the relationship between health and regeneration for many years. This includes the evaluations of the Big Lottery Fund's Health Living Centre programme (UK wide) and the Communities Food Co-op pilot. I have also been involved in systematic reviews in related fields. One on interventions of *resilience*, coping and salutogenic interventions in relation to health outcomes<sup>2</sup> and another reviewing theories and interventions related to strengthening communities.<sup>3</sup> Inevitably therefore, in my research and evaluation activities, I have had contact with (and often worked alongside) people living and working in Communities First areas.
2. I am also the Wales representative on the Board of Trustees of the People's Health Trust (PHT)<sup>4</sup> which, in the last five years, has invested over £80 million in grants to support, resident-focused approaches, as a means of addressing the underlying structural causes of health inequalities. The emphasis is on the collective control of neighbourhoods (and in some cases communities of interest) to make change. Of the three programmes PHT hosts Local Conversations is probably the most relevant to this enquiry. Local Conversations is a flexible funding model which is led by what local people in terms of the priorities they develop and 23 have been funded to date, four in Wales. They have a defined population of around 4,000 people and fall within the 0%-30% of English, Scottish or Welsh Indices of Multiple Deprivation. The Local Conversations programme is currently being evaluated by the New Economics Foundation (NEF) and I sit on PHT's evaluation committee.
3. As an academic member of staff at Cardiff University I am currently involved in two major Research Council funded projects which are working in partnership with two Communities First areas (North Merthyr Tydfil and Butetown, Riverside and Grangetown)<sup>5</sup> <sup>6</sup>and lead one of five flagship engagement projects in Cardiff University (Strong Communities, Healthier People – SCHeP<sup>7</sup>) which works with these and with ACE who deliver Communities First activities in Caerau and Ely. These Communities First clusters have the particular characteristic in the programme of being delivered by *community anchor organisations* that have a community profile and relationship above and beyond the programme itself. My

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<sup>2</sup> <https://www.nice.org.uk/guidance/ph6/documents/behaviour-change-review-on-resilience-coping-and-salutogenic-approaches-to-health2>

<sup>3</sup> <http://www.ahrc.ac.uk/documents/project-reports-and-reviews/connected-communities/a-review-of-theories-concepts-and-interventions-relating-to-community-level-strengths-and-their-impact-on-health-and-well-being/>

<sup>4</sup> <https://www.peopleshealthtrust.org.uk/>

<sup>5</sup> <http://representingcommunities.co.uk/>

<sup>6</sup> <http://www.productivemargins.ac.uk/>

<sup>7</sup> <http://www.cardiff.ac.uk/strong-communities-healthier-people>



particular interest therefore is in the value of these organisations in supporting the implementation of anti-poverty programmes.

4. In relation to the terms of reference I will focus on what worked and what didn't work but refer to the other two where relevant.

### **What has worked**

5. What has been particularly valuable in the Communities First programme as a whole has been the development and deployment of community development approaches in building the confidence and skills of people over time to support their families, seek more formal educational opportunities, enter into employment and contribute to developments that improve living conditions for local people as a whole. Although health and wellbeing activities have also been developed, the learning and prosperous themes have also had an important impact on health as they are key determinants of health inequalities. Community development workers have been bridge builders in that they have enabled people to connect to each other and to other organisations.
6. Community anchor organisations have created a local base through which those community development skills can be embedded, focused and developed. They have been key to the development of wider local infrastructures that are locally rooted. They sit at the centre of elaborate networks that encompass different 3<sup>rd</sup> sector organisations, statutory providers and services, academic researchers, community groups and other people living in the local community. The Communities First programme has benefitted from these organisations and those occupying senior roles have become expert mediators of government anti-poverty programmes, local stakeholder organisations and communities.
7. Community anchor organisations have a presence and identity independent of government programmes. It is because the community organisations are known and trusted that Communities First activities have been taken up by local people. They also know how to develop activities and interventions that best meet the needs of communities and particular individuals. This also has provided positive opportunities, for instance, for rethinking how the physical assets in communities can be utilised in a way that is rooted in a sense of ownership and accessibility for local people. This is not a Communities First objective as such but demonstrates an important impact and resource that can emerge from the interaction with community anchor organisations.
8. The community anchor organisations have accumulated many years' experience of how Communities First activities (and other government programmes such as Communities for Work, Lift, Flying Start etc.) might be delivered in ways that are acceptable, appropriate and effective in relation to the local context. Another reason why local people have made use of Communities First activities in places where community anchor organisations deliver activities is because they can access them in spaces where there are people they trust and where they feel

safe. Note, for instance, a digital story told by two women talking about the 3Gs in North Merthyr Tydfil.<sup>8</sup> With loneliness and isolation increasing being highlighted as a public health issue the resources and skills that community anchor organisations can contribute are key.

9. Community anchor organisations, throughout the Communities First programme, have played an important role in supporting people through times of increasing financial hardship and economic and social uncertainty and insecurity. At an individual level, changes to welfare provision have been experienced as judgemental and with rules and requirements that are difficult to understand and navigate. In the context of developing skills and opportunities for work the community-based support structures these organisations offer have provided non-judgemental spaces for people to look for jobs, develop their CVs and skills, and seek help with IT. In particular, job clubs have been a source of support to the people we interviewed as part of Representing Communities in North Merthyr Tydfil, who told us that they felt they could 'be themselves' and ask for help without feeling ashamed.
10. Because of their long established links into the communities, and with other partners, community anchor organisations have also been able to innovate. An example is a project focussing on working age men which has brought not only skills, structure, social connections, jobs and joy to the men involved, but has had wider impacts on their families and the community itself. They pride themselves on keeping the neighbourhood free of the litter (discarded needles and nappies) that blight many areas, tend an allotment and have plans for developing a local plot of land for community benefit. They have also led the development of history and heritage trails locally, with communities in Cardiff and along the Taff Trail between Cardiff and Merthyr. The latter has drawn in the support of history and heritage organisations as part of the Welsh Government's Fusion Programme aimed at addressing poverty and social injustice in ten Communities First 'pioneer areas' across Wales. All this would not have been possible without the Communities First community development worker who keeps the group together, motivated and resourced.
11. A similar example of an organisation that has made the most of innovative possibilities is the Forsythia Youth Centre, whose dedicated team are led by a truly inspirational youth leader. This provides a vibrant, creative and safe space for young people to find and develop their own talents through a varied programme of activities. Many of these activities have been developed through the partnerships that have developed. Young people at the youth club have won awards for films they have made with other artists, led campaigns on issues such as legal highs, and won recognition from the Welsh Assembly and from other European countries for the work that they do on a variety of health and social issues. Recently, with support from Cardiff University and Citizens Cymru and a

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<sup>8</sup> <https://vimeo.com/130736601>

group of young people from the centre, with some pupils from Bishop Hedley school won prizes of £500 (High Sheriff of Mid Glamorgan) £1K (National Crimebeat first prize<sup>9</sup>) for their contribution to their community. For this they successfully negotiated a number of environmental improvements with local authority planners to ensure that local people feel safe walking through the local area. This would not have been possible without the community organisation and the Communities First programme that has supported the funding of staff in this organisation. I am aware that there are similar examples of innovative approaches to skills development elsewhere. These often have a multiplicity of impacts at both the individual and community level.

12. Recognition of the value of community anchor organisations, and the people who have worked within them, should be key to thinking about the organisational support for projects after June 2017. They have the potential to support and sustain projects as well as adapt them over time as circumstances change. The phasing out of Communities First risks losing the valuable community development skills in Wales that have built over time. Decisions post funding needs to harness and consolidate those skills. Many of the front line community development workers in these organisations are also in a good position to recognise, harness and develop ideas and innovations to improve neighbourhoods that come from community members themselves. They are part of the delicate systems of resilience which Welsh Government are keen to build through the integration of public services in the Wellbeing of Future Generations Act. The danger is that they will have to start all over again to build 'empowerment' with whatever replaces the programme. It takes many years to build these relationships and it requires very particular skills to develop the knowledge about what works in the local context.

## **What has not worked**

13. It is quite likely that there are many things that have not worked in the Communities First programme and it is not disputed that the programme as a whole has failed in addressing poverty in Wales. In this document I will only comment on the dimensions that I have observed in the context of CF areas where community anchor organisations have delivered activities locally. I will focus on the expectations, demands of, and untapped possibilities of learning from, the programme.
14. Particularly in the final phase what appears to have happened is that the responsibility, as well as the risks associated with delivering the programme, have been downloaded to the most local scales of governance (see research conducted by Pill, M.& Guarneros-Meza V, 2017<sup>10</sup>). The initial idea of the programme appeared to indicate more of a vertical synchronisation and

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<sup>9</sup> <http://www.merthyr.gov.uk/news-events/latest-news/young-people-from-merthyr-win-first-prize-at-2017-uk-national-crime-beat-awards/?lang=en-GB&>

<sup>10</sup> <http://www.ingentaconnect.com/content/tpp/pap/pre-prints/content-pppolicypold1600024r3> (accessed 12 05 2017)

harmonisation of objectives. However, in the final phase, the focus appeared to be on the outcomes achieved by Communities First clusters and not the outcomes of the programme as it worked as a whole.

15. Evaluation is key to understanding how programmes work, for whom and under what circumstances. Whilst there have been many evaluations it has not been clear how these have been used as a form of knowledge exchange for community organisations, lead delivery bodies, wider stakeholder partners and Welsh Government. The excessive demands created by monitoring has resulted, to a large extent, in the more complex changes for local people over time becoming invisible. The opportunities for understanding the mechanisms of change (and how processes on the ground lead to particular outcomes) have been underutilised as a basis for adapting the programme over time. The Communities First programme, as with any major community based programme, created different stories of change across Wales and it is a shame that many of these will be lost.
16. Community anchor organisations themselves have been left vulnerable. In supporting government programmes there should have been better efforts to ensure that these organisations had the people and processes in place to sustain the organisations themselves. Whilst some will have business plans that will enable them to weather this particular storm, others may find it difficult to continue. This will mean that an asset will have been lost to local and national government as well as local communities, where the negative impacts could be felt for years to come.
17. It is clearly irresponsible of governments to invest in programmes that do not work. Many people working in local Communities First projects were aware that the programme could be phased out or changed. They are a workforce that has become used to uncertainty. However, the processes of disinvestment are as important as the implementation of programmes. The fact that this consultation is happening is to be welcomed but the way in which the phasing out of Communities First was announced and delivered has not only created stress for the workforce (similar to the impact of anticipation of major job losses in other sectors<sup>11</sup>) but many highly skilled staff have already sought new employment. This means that a planned phasing out, with the protection of skills and successful projects, will be a challenge as projects that 'have worked' are already ending.

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<sup>11</sup> See chapter 3 of a review of the health impact of economic downturns  
<http://www.wales.nhs.uk/sites3/Documents/522/wp134.pdf>



## Communities First – lessons learned

### *A response from WCVA*

1. WCVA is the national membership organisation for the third sector in Wales. Our vision is for a future where the third sector and volunteering thrive across Wales, improving wellbeing for all. Our mission is to be a catalyst for positive change by connecting, enabling and influencing.
2. WCVA works with a range of national specialist agencies, county voluntary councils and other development agencies, to provide a support structure for the third sector in Wales. We have over 3,000 members, and are in touch with many more organisations through a wide range of national and local networks.
3. WCVA manages the Communities First Support Service. We are pleased to have the opportunity to respond to the External Affairs and Legislation Committee's inquiry into the lessons learned from the Communities First programme.

### **What worked and what didn't about Communities First?**

#### *Setting outcomes*

4. Communities First has lacked clear and achievable outcomes against which we can measure success. This was a criticism of the Public Accounts Committee in 2010. The programme has lacked a shared understanding of the specific contribution that it could realistically make, not least to tackling poverty.
5. A community-level programme needs to be understood in the context of broader structural causes of poverty. Community programmes operate within wider regional, national and international contexts. This doesn't mean that empowering communities isn't valuable. It should positively influence activities at other levels. However, its particular contribution needs to be understood and valued.

#### *Enabling and empowering*

6. When Communities First has worked well, it has resulted in people being empowered to come together to make a positive difference to their communities. This might be to do things that directly benefit people, or by positively engaging with and shaping what public bodies and businesses do. Collective action can bring about enhanced social capital: people working together and collaborating on things *they* want to achieve.

In its earlier phases Communities First recognised this and made some initial progress in mobilising and facilitating the collective action. Evaluations concluded

that improvements were made on so-called 'crime and grime' issues: anti-social behaviour, graffiti, vandalism, environmental improvements. However, even within the Partnership structure, community members tended to feel outnumbered by elected members, service providers and 'professionals' ([Adamson and Bromiley, 2008](#)).

7. Since 2012/13 Communities First has increasingly worked with individuals, with staff managing caseloads of individuals to whom delivery happens, rather than with and across communities. Communities - of geography and of interest - are not simply made up of a number of individuals but of networks, inter-dependencies, relationships, tensions, histories and collaborations. Social capital is not a mere aggregation of individuals' social capital. A criticism of Communities First is that it has contributed to the management or containment of poverty, rather than tackle its root causes, let alone eradicate it (see Hoban, 2016).
8. Enhanced social capital is not just of use to individuals and communities. It also supports service providers and other parts of civil society - but they must not co-opt or coerce processes that develop social capital. There is a feeling that Communities First in its current phase has retreated from supporting and enabling communities to achieve their outcomes, and become a top-down government-led programme. Government imposing activities on communities who may already be doing things for themselves can be disempowering. Empowerment should mean shifting power to community-level organisations and enabling them.
9. Adamson and Bromiley concluded that community engagement was enhanced by providing multiple routes to participation (2016). The current Communities First lexicon couches participation in terms of Community Involvement (CI) and it is claimed to be at the heart of Communities First. However, many in the programme have complained that the format and timetable of the planning process militated against community participation, scrutiny, accountability and citizen-centred service/project design. This is not to say that there hasn't been involvement, but on occasions, it has felt tokenistic.
10. On the other hand, the STAR cluster in Cardiff, for instance, had a CI Plan constructed around a simple ladder of participation (see Arnstein, 1969) that included projects and activities that enabled people, with support from Communities First workers and local third sector, to take more control of issues that affect their communities and identify solutions. Resilience in this way is not just about the availability of a service (though it does include this and austerity is putting some services under great strain), but about helping to co-produce the conditions that can influence services and develop new ones. WCVA believes that the Wellbeing of Future Generations Act provides an opportunity for empowerment to be linked to well-being conceptually, practically and sustainably, given that it aspires to:

*"make the public bodies...think more about the long term, work better with people and **communities** [emphasis added] and each other, look to prevent problems and take a more joined-up approach'."*

<http://gov.wales/docs/dsjlg/publications/150623-guide-to-the-fg-act-en.pdf>

Communities First in its current phase has become much more attuned to asset based approaches and it is definitely more attentive to what people *can* do, rather than what they *can't*. However the increased lack of a community planning dimension in Communities First has meant that an asset-based approach to community development is lacking consistently across its breadth.

### *Community hubs*

11. Community Hubs can be vital agents for social and economic change. WCVA, in partnership with CREW and Community Development Cymru, has previously set out its support for community hubs and would welcome the opportunity to discuss in more detail.
12. A significant lesson from the reconfiguration of Communities First from Partnerships to Clusters in 2012/13 is that the short-term viability of 'community hubs' and third sector providers was greatly affected by the uncertainty, de-commissioning process and loss of funding. Several have downsized since then, while others have closed down (e.g. Ebbw Fawr Development Trust, Clydach Development Trust). There is a real risk that at the end of Communities First there will be *fewer* community hubs than at its start. One could argue that by this, admittedly crude, metric that communities have been *disempowered* by Communities First.
13. That said, some have survived and new ones have emerged such as Action In Caerau and Ely. Welsh Government must minimise the uncertainty by providing clarity about its future plans to tackle poverty in Wales, and its vision for third sector within this. WCVA hopes that the sector is at the heart of the new approach to building resilient communities.

### *Funding*

14. Until 2012/13 Communities First was successful in leveraging-in additional monies from a broad range of sources due in large part to the independent constitution of lots of Communities First Partnerships and a programme that actively encouraged the involvement of the local community and third sector. In some cases, these were complemented by trading subsidiaries and similar that allowed for larger sums to be sourced and/or trading. Whatever improvements were made to Communities First by adopting the cluster configuration (increased clarity of purpose, economies of scale, easier to engage with by the service providers, less complex bureaucracy), unfortunately there has been an increased reliance on Welsh Government funding.
15. WCVA has led on the development of new forms of loan and bond finance in Wales and is keen to explore a range of alternative approaches to securing sustainable funding for the sector. Whatever approach to increasing community resilience is adopted its funding should be based on a 'mixed economy' and not solely reliant on government funding.

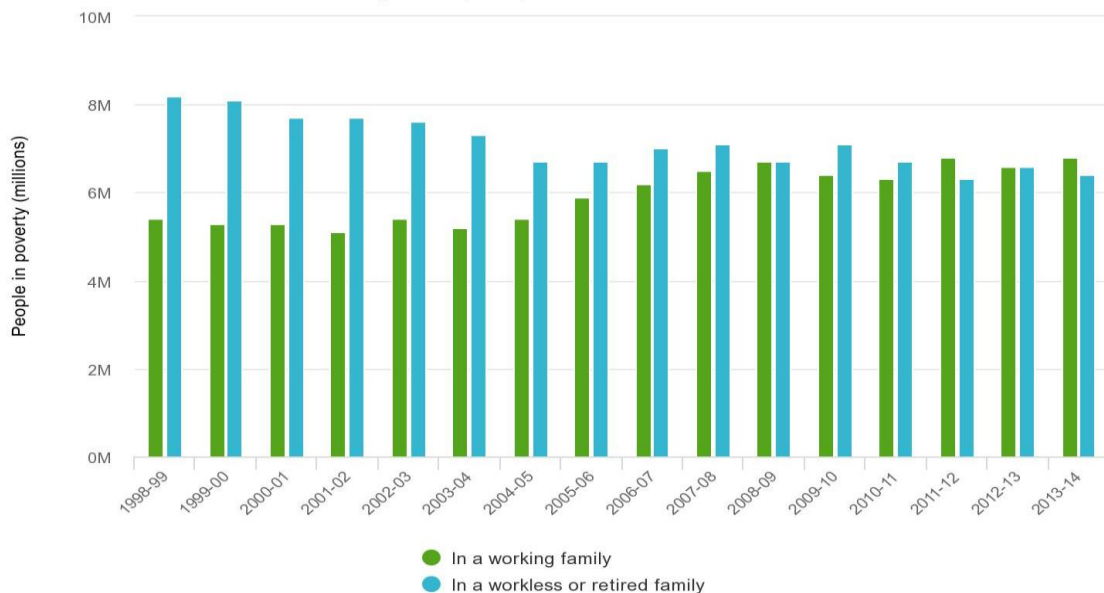


## Knowledge of poverty

16. Sixteen years of Communities First has broadened our understanding of poverty: its impact on ethnic minorities; rural and urban experiences of poverty; the relationship between poverty and availability and quality of services; determinants of poverty; links between poverty and educational attainment; experiences of poverty by different genders and ages, the impact of digital and more. Financial inclusion activity has greatly helped enhance our understanding of how people with the smallest disposable income often must pay disproportionately more for goods and services and for access to credit.
17. A worrying development is the increase of in-work poverty. The Joseph Rowntree Foundation (2015) concluded that more than half of people in poverty live in a family where someone is in work (see figure 1). The prevalence of in-work poverty fundamentally challenges the presumptions of work in lifting people out of poverty. It also poses an ethical challenge of approaches to tackling poverty predicated on getting people into employment.

**8A: More than half of people in poverty live in a family where someone is in work. At 6.8 million it is 1.5 million higher than a decade ago.**

Source: Households Below Average Income, DWP; the data is for the GB to 2001/02 and for the UK thereafter



## How local authorities will decide which projects continue to receive funding after June 2017

18. Welsh Government has announced 70 per cent of funding at 2016/17 budgets. The option to transition to the model of the Employability Grant but using Communities First allocations for the employability activities is cautiously welcomed. If Communities First is to end there is some merit in not dragging this out unnecessarily long and prolonging uncertainty. However, where poverty and barriers to work for some people are primarily shaped or aggravated by health and educational factors WCVA would be hopeful that the Legacy Fund is sympathetic to funding these interventions.



19. It is not clear at the time of writing what the Legacy Fund's criteria will be. Neither is it clear who will decide on what is funded. There appears to be a presumption that local authorities are best placed to identify and deliver Legacy Fund projects. We question whether this should be the case. Early indication that the Legacy Fund will be eligible for use for engagement activities that complement the Employability Grant are welcome and build on the expertise of Communities First and the value added it can bring to such programmes (see below).

20. There should be a learning element to the Legacy Fund in order to identify *why* a project is deemed effective and to presume that such learning will be shared in order for replication, where appropriate can happen. There is a risk that effective projects are confined to individual lead delivery body areas/boroughs. This must be avoided. We should be looking for opportunities to upscale and transfer good interventions.

### **How different poverty reduction programmes (Communities for Work, Lift, Flying Start, etc) will change as a result of the end of Communities First.**

21. The Lift and Communities for Work programmes cite the value of the engagement activities of Communities First. These ensure that people are ready for and receptive to support; that the appropriate programme works with the appropriate people (Communities First also helps signposting where this is not the case); helps build up the legitimacy of such programmes to operate locally; facilitates effective and appropriate delivery by providing local knowledge about communities; acts as the interface and mediator when tensions occur; challenges the values of workers on these programmes.

22. Poverty reduction programmes generally need to be better integrated, including with programmes that specifically aim to increase prosperity. Activity is needed at many different levels, from macro scale developments to community projects, and we need to be better at understanding the relationships between them. It will be affected by how Wales emerges from Brexit and new legislation such as the Social Services and Wellbeing Act and the Wellbeing of Future Generations Act.

23. WCVA believes that empowering communities through voluntary and community action is a key ingredient for achieving a fairer and more prosperous Wales.

Russell Todd  
Communities First Manager, WCVA  
17 May 2017

### **References**

Adamson, D, Bromiley, R (2008) *Community empowerment in practice: lessons from Communities First*, Joseph Rowntree Foundation.

## **Equality, Local Government and Communities Committee**

### **Communities First – lessons learned**

#### **Submission by the Bevan Foundation**

1. The Bevan Foundation is an independent charity that develops evidence-based ideas to make Wales fair, prosperous and sustainable. We have worked on poverty and deprivation in Wales since 2002 and welcome the opportunity to submit evidence to the Committee's inquiry on Communities First.
2. At the outset we would like to state that Communities First was an extremely important recognition in the early years of devolved government that action was needed to reduce poverty and deprivation across Wales. It was a bold and ambitious programme both in its scale and in its aspirations.

#### **What worked and didn't work about the Communities First programme**

##### *What has worked*

3. When it has worked well, Communities First has been highly regarded by partners and much appreciated by the communities it has served. The most recent (2015) evaluation noted:

*Communities First is regarded as a valuable Programme by many of the stakeholders involved in its delivery. The limited engagement this evaluation has had with the scheme's beneficiaries also suggests it is well received by local communities, with many examples of positive changes made to the lives of those in its target areas.<sup>1</sup>*

4. While the responses to the Welsh Government's consultation on the future of Communities First are not representative because of the significant number of respondents who had links with the programme, nevertheless many respondents including residents were supportive of its activities.<sup>2</sup>
5. Successive evaluations and our own experience show that what Communities First has done particularly well is:

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<sup>1</sup> Welsh Government Social Research, (2015), Communities First: a Process Evaluation. Para. 7.1

<sup>2</sup> Arad Research for Welsh Government, (2017), Talk Communities Engagement Programme

- a. **Community engagement:** Communities First has engaged with and developed an understanding of local communities that is unique. At best it has built exceptional trust amongst people who distrust the state, so that they are willing to get involved with local services and activities.
- b. **Partnerships:** Communities First has built partnerships with a wide range of stakeholders, from Jobcentre Plus to local schools, helping to shape local services and improve access so that they better meet the needs of the community.
- c. **Delivery of services:** Communities First has supported the delivery of valuable services, from offering 'job clubs' to help people into work, to debt advice for people in financial difficulty to much-needed mental health services. Local access to such services has been vital for people for whom the cost of a bus journey of even a few miles can be prohibitive.
- d. **'Soft' outcomes:** although the evidence is patchier, Communities First has also often achieved good 'soft' outcomes such as people feeling more confident, having wider horizons and having better job prospects (if not yet having a job). These changes are very hard to measure but are no less important because of that.

#### *What has not worked*

- 6. Despite these successes, there are ways in which Communities First is not working so well. Crucially, the programme has not achieved significant, measurable reductions in poverty and deprivation in either the designated areas or in Wales as a whole. Evaluations in 2010 and 2011 – the most recent of the programme's effect on deprivation – found that the then approach had 'limited'<sup>3</sup> and 'marginal'<sup>4</sup> impact. And while the Welsh Index of Multiple Deprivation cannot be used to monitor progress, the areas that were the most deprived in Wales in the early 2000s are mostly still amongst the most deprived.
- 7. In our view there are two reasons for Communities First's difficulty achieving change on the ground – the fundamental approach of the programme and its delivery.

#### Fundamental Approach

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<sup>3</sup> Welsh Government Social Research, (2011), Research Summary: The Evaluation of Communities First. p.2

<sup>4</sup> Hinks, S. and Robson, B., (2010), Regenerating Communities First Neighbourhoods in Wales. p.28

8. The current approach to Communities First is based on changing the characteristics and behaviours of individuals through, for example, improving employability, encouraging healthy lifestyles and improving life skills. The assumption is that individuals are the problem, and that the solution is to ‘treat’ them – a term actually used in the 2015 evaluation.<sup>5</sup>
  
9. In contrast, we see area deprivation as the result of complex social and economic changes. Long-term changes in the economy and labour market, such as the decline of manufacturing and the loss of semi- and unskilled jobs, mean some people face significant problems finding secure, reasonably-paid work. At the same time, the housing market and housing allocation system tend to concentrate people facing the greatest disadvantage into particular small areas, for example where housing is relatively cheap and / or unpopular. It is no accident that the largest number of Communities First areas are found in the parts of Wales that have experienced the greatest economic shocks in recent decades.
  
10. It is difficult for the Communities First programme – like all area-based programmes – to shape these big social and economic forces, such as wage rates, whether a local employer makes people redundant, or local rents to name but a few. The task is all the harder because of the relatively weak relationship in the past between economic development priorities and Communities First.
  
11. Even when Communities First is able to change the characteristics of individuals, there is no guarantee that that will change the characteristics of the area. As the 2015 evaluation of Communities First concluded:
 

*The Programme ... is based on the key assumption that ... changing individual-level outcomes ... will significantly impact on area-level characteristics. The testing of this assumption would be a key aim of any future outcomes evaluation.*<sup>6</sup>
  
12. For example, an individual who has benefitted from Communities First’s help to find work may move out of the area when he or she gets a job, only to be replaced by an unemployed person moving into the area. While the out-going individual’s circumstances have improved, the area’s characteristics remain unchanged. The opposite may occur if an area is gentrified, with less deprived people moving into an area apparently improving its characteristics without the circumstances of deprived people changing at all.

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<sup>5</sup> Welsh Government Social Research, (2015), Communities First: A Process Evaluation. Para 7.23

<sup>6</sup> Ibid. Para 7.5

## Delivery

13. The second issue is delivery. Some variation is inevitable in a programme covering so many areas in a wide range of circumstances. We recognise that there is a challenge to combine local flexibility and responsiveness with an all-Wales strategic direction and framework. Nevertheless, successive evaluations have pointed out that while the programme is working well in some areas, in others it is not performing as well as might be expected. For example the 2015 evaluation noted that ‘some significant challenges do remain for the effective delivery and monitoring of the Programme’.<sup>7</sup> Even on the fundamental requirement of community engagement, after 14 years the evaluators found that ‘genuine community participation is not always being achieved.’<sup>8</sup> This finding was by no means new – the 2011 the evaluation concluded the programme was delivering benefits in ‘many, though by no means all, of the supported communities.’<sup>9</sup>
14. To conclude, where Communities First has worked well it has achieved a wide range of mostly soft outcomes that benefit individuals, but even in these areas the design of the programme means that it is very difficult to achieve area-level change. The programme has worked less well in some areas, struggling to achieve and demonstrate impact either for individuals or the areas concerned.

### **How local authorities will decide which projects continue to receive funding after June 2017**

15. The Welsh Government has a key role to play in providing a clear strategic direction and robust guidance to local authorities. Drawing from the evidence of effective area-based initiatives elsewhere,<sup>10</sup> the underlying principles should be:
- a. the area should experience significant socio-economic disadvantage;
  - b. the area should be large enough for economies of scale but small enough for resources to be targeted, with some analysts suggesting 10,000 is about right;
  - c. the boundaries of the area to be supported should be meaningful to the community as well as coinciding with those of other agencies;
  - d. the focus within the area should be on those facing multiple disadvantage.
  - e. skilled project staff and community leaders are essential to success;

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<sup>7</sup> Ibid. Para 7.4

<sup>8</sup> Ibid. Para 7.18

<sup>9</sup> Welsh Government Social Research (2011), Research Summary: The Evaluation of Communities First. Para 22.3

<sup>10</sup> Department for Communities and Local Government (2010), The New Deal for Communities Experience: A Final Assessment - The New Deal for Communities Evaluation: Final Report – Volume 7

- f. expected outcomes should be realistic and be relevant to the intervention, for example support for individuals should be measured in terms of change in individuals' outcomes;
- g. projects should have a track record of achieving positive outcomes;
- h. the local authority and other agencies should be expected to refocus their mainstream programmes – including their economic development and regeneration programmes - on the area in question; and
- i. outcomes and impact should be monitored effectively.

16. The opportunity should be taken to replace the narrow, individual focus of the current Communities First themes with a broader, evidence-based approach. The work we have undertaken with the Joseph Rowntree Foundation<sup>11</sup> provides a framework for suitable local action, ranging from stimulating the creation of jobs to raising educational attainment levels and provision of quality careers advice and guidance in schools.

17. There should, in addition, be scope for innovation. This might include a change in emphasis away from individual 'deficits' towards those based on assets, such as building community wealth, creating a local 'circular' or sharing economy, and local intermediate labour markets.

**How different poverty reduction programmes will change as a result of the end of Communities First.**

18. Programmes such as Flying Start and Communities for Work will need to be reframed as they have operated within the framework of Communities First. At this stage we do not have further suggestions to make.

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<sup>11</sup> Joseph Rowntree Foundation, (2016), Prosperity without Poverty: A Framework for Action in Wales.



## Communities First – Discussion with Newport Communities First staff

Date: 23 March 2017

### Introductory remarks

01. Staff from Newport Council provided an overview of Communities First activities and developments since the announcement by the Cabinet Secretary to close the Communities First Programme. Key points included:

- Working with 12,500 people across Newport in the past year;
- Communities First had dealt with the challenges faced by communities on both a practical and a strategic level;
- It has played a key part in the development of Newport;
- As a result of the announcement there will be a significant budget cut (between 30–45%) and as a result the Council is currently negotiating with contractors; and going through a voluntary redundancy programme. The closing of the programme has broader budgetary implications, for example additional costs of servicing voluntary or compulsory redundancy schemes;
- It is still unclear exactly what the Welsh Government wants to see delivered, and therefore how new programmes should be shaped. While the ‘resilient communities’ approach is providing some direction there are very mixed messages coming from Welsh Government;
- The timeframe to put together new plans is very challenging;
- Criticism of how the announcement was made. Most staff found out on the evening news, and the Council were provided with very little information to help staff understand the implications of the announcement.

### Discussion with staff

02. There were a range of issues highlighted by staff which included:



## Consultation process

- There was not a full and proper consultation process and the online consultation was not meaningful.
- There was that there had not been discussion with the communities about what they value.

## Developing relationships

- Relationships have been built over the past 13 years, and in some cases it is only now that this trust has been cemented. This will evaporate.
- Communities First staff are trusted, and respected within the communities. Developing these relationships, means that instead of signposting people to services (e.g the Job Club) you signpost them to people that they know.
- Examples were given of Communities First staff attending social services conferences, and being the only people who know the family under discussion.
- Communities First can be more responsive to immediate crisis' and are seen as less threatening than more formal services.
- Building up these sort of relationships can only be done in a small geographical area. It was suggested that you needed one team per estate.
- People have been developed through the communities and now work for Communities First. They act as role models for others in the community.

## Education

- Communities First acts as a bridge between the primary and secondary schools. There has been a focus on developing relationships with primary schools to help with the transition between primary and secondary schools.
- The cyclical nature of problems and considering this when making decisions about support services was emphasised. People cited the impact of the decision to cut funding for internal referral centres, which means that children with disruptive behaviour will go back into the classroom and impact on other children's ability to learn.



- It was highlighted that the WG’s new emphasis on Adverse Childhood Experiences and the importance of the first 1000 days is work that CF have been doing for a considerable time.

## Employability

- A lot of Communities First clients are a long way from employability, and need time and support before they are at the stage to support them in finding work.
- Staff who work on employability, highlighted that they couldn’t do their job effectively, without all of the preparatory work that has been done by their colleagues. Examples given included the development of a ‘Parents Project’ which built up confidence in parents; all of the participants have gone onto sign up for Communities for Work. There was also an example of an Over 50s Men’s Group which also helped build up confidence and skills before signposting them to specific employability programmes.
- Concerns were also raised about the rigidity of eligibility criteria for some employability programmes and that as a result people weren’t able to access support that was needed.

## Social inclusion

- Communities First has enabled the specific needs of the diverse communities across Newport to be supported. For example engaging with the Romany community, which focused on building relationships with key figures within the community.
- Significant concerns were raised about the lack of police presence on Communities First areas. The impact of substance abuse and the resulting problems were also highlighted. Communities First staff are often dealing with anti-social behaviour directly.

## Finances and structures

- For every £1 invested in Communities First, £4.74 is saved.
- To develop resilient communities longer term funding is needed. At best funding has been provided on a three yearly basis, but this has been reduced to annual funding. To tackle poverty, funding needs to be more sustainable and offered on a much longer term (e.g 10 years).



- Oxfam’s Sustainable Livelihoods approach has been adapted and used in Duffryn successfully, it is being rolled out across Newport. The evaluation report is available [here](#) and more information is available [here](#). The Committee was invited to visit Duffryn to gain a better understanding of this approach.
- The importance of aligning programmes and having a more holistic approach was emphasised. Concerns were raised that there can be duplication of services and that Service Leaders needed to be more lateral and strategic in their thinking to ensure effective use of resources.
- It was acknowledged that Communities First may have failed in some areas, but not in Newport. It was also highlighted that some successes don’t fit into performance management frameworks or datasets.

### Impact of the closure of Communities First

- There was some confusion as to why the scheme would be closed down without a clear direction of what will replace it.
- People were concerned that the skills of staff will be lost to Newport, as people have to look for alternative employment, and highlighted the broader impact this will have on Newport.
- “I don’t understand why the Welsh Government aren’t terrified of what will happen.” [When the programme closes].



# Communities First – Visit to Newport East Cluster

Date: 26 May

Member: John Griffiths AM (Chair)

Sites visited: Moorland and Hope Centre

During the visit the Chair met with staff, service users and volunteers. A wide range of issues were covered including; Flying Start provision; transitional arrangements; the shift in focus to employability and examples of how the Communities First provision has had a positive impact on individuals and families.

## Impact of the decision to close Communities First programme

- In Newport, there has been a £720k funding reduction. This has resulted in 21 FTE posts being cut; with 8.5 FTE leaving Newport Council through voluntary redundancy; and 6.5 FTE compulsory redundancies at Gwent Association of Voluntary Organisations and 6.5 FTE vacant posts not being filled.
- The old programme will be phased out by the end of June. Some programmes are being moved to other services, for example the Aspire Programme (which aims to identify, and support young people who are not engaging in education) will move to the Youth Service. Flying Start will take over play provision.
- It has been easier to transition services, because all the relevant services sit under one Directorate (Regeneration) within the local authority.
- The local authority is taking a collaborative approach to ensuring continued delivery of services, with improved alignment of services.
- There has been a great deal of uncertainty for staff, which combined with a lack of guidance has made it more difficult for staff to understand what the changes will mean.
- Projects have been transitioned to other services, where possible, and budgeting for this year has focused on ‘chunky’ investment in project delivery. In line with the Welsh Government’s emphasis on employability, the projects will focus on:



- Health and Well-being. The support services a client may need to help support them into employability.
  - Skills development. For clients who need additional skills development such as digital, literacy or language skills.
  - Employability Support Services. Any specific training a client needs to get into employment.
- Staff have been centralised into one building; which has generated approximately £25k of savings per cluster across Newport; however all community centres remain open.
  - The work of Communities First volunteers equates to approximately £70–80k of staff costs (calculated at minimum wage).
  - Annual funding makes it difficult to plan for the future. Employability Support is funded until 2020, but it's difficult to make decisions when the guidance isn't yet available. Families First funding is only guaranteed for another year.
  - In terms of the programme, most of the projects have been focused on target areas, 'softer' projects have only received funding if they fit with community involvement.
  - In the past CF in Newport have funded food banks, but this funding is no longer provided.

### Varying eligibility across schemes

- At the Flying Start scheme at Moorlands, concerns about the postcode restrictions were raised.
- The scheme isn't currently running at full capacity, despite budget being available, because of postcode restrictions. This is despite staff knowing of people living close to the centre, who would benefit from the service. However, they are ineligible because their postcode is not covered by Flying Start.
- The lack of consistency across support programmes was highlighted; Families First has no postcode restriction, but Flying Start and Communities First do operate on a postcode basis. There will be difficulties aligning the services because of the different approaches to eligibility.



- It was flagged up that postcodes that are prominently sheltered housing are eligible for Flying Start.
- Staff felt that better engagement by the Welsh Government with those delivering the front-line services would help address some of these issues.

## The shift in focus to employability

- The Welsh Government hasn't yet provided any guidance on the Employability Plan.
- Concerns were raised that the focus on early years and employability will impact the level of support that can be provided for young people of secondary school age. Programmes like Aspire, have had a significant impact on ensuring young people leave with basic qualifications, and there is a risk that opportunities will be missed to intervene pre-16. We heard of one person's experience of the programme, how they gained qualifications, that helped lead to a StreetGames placement and then employment by Communities First.
- It was highlighted that successful interventions are much more difficult once young people have left school.
- Concerns that the seamless level of support that is available from early years – school – post education will be lost, with families and children falling away after Flying Start.
- Digital skills are a particular issue for the over 50s, and this will become a more significant issue when Universal Credit is introduced in Newport next year.
- Benefit sanctions are often imposed on people, not because they are not willing to engage but because they don't have the basic skills needed to apply for jobs. This can be a particular issue when people do not have the requisite language skills. Examples where given of clients taking ESOL lessons, where they are learning basic language skills but at the same time are expected to fill out application forms.
- Concerns were also raised about the impact of insufficient number of ESOL teachers being available to deliver ESOL lessons.
- Communities First have often picked up people who the Work Programme class as those furthest away from the employment market, and the support that is provided is wide-ranging and can have a significant impact on individuals and their families.
- People do not want to go to the JobCentre, but will visit Communities First centres. It was highlighted that a lot of resources go directly to the JobCentre, but they rely on



Communities First to deliver a lot of the necessary support needed to get employment ready.

- There is some concern that the Employment Support programme won't necessarily deliver support such as ESOL, basic skills and job clubs. It is more focused on intensive 1:1 support, but that the wider support is an essential first step to getting people ready for employment.



## Agenda Item 5.2

Carl Sargeant AM  
Cabinet Secretary for Communities and Children

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau  
Equality, Local Government and Communities Committee  
ELGC(5)-17-17 Papur 6/ Paper 6

16 May 2017

Dear Cabinet Secretary,

### **Inquiry into poverty in Wales: Communities First – lessons learnt**

Thank you for your letter dated 5 April 2017 regarding the Communities First funding arrangements. The Committee considered the letter at its meeting on 3 May and would appreciate if you could provide clarity on the following points:

- Data, and any analysis on the responses from the Talk Communities survey, and other stakeholder engagement, and information on how this was used to inform the final decision to close down the Communities First programme.
- More information on how recipients of transitional funding will report outcomes, and how the Welsh Government will assess the effectiveness of transitional arrangements.





During the summer term the Committee will be taking evidence from a range of stakeholders in relation to Communities First and the lessons learnt. We invite you to attend the meeting on **Wednesday 21 June 2017** to give evidence to inform our work.

We have issued a call for evidence which closes on **Monday 22 May**. More information is available on the consultation web page:

<http://senedd.assembly.wales/mgConsultationDisplay.aspx?id=260&RPID=1508652600&cp=yes>

Once the consultation has closed we will be able to provide you with more information about the areas of questioning for the oral evidence session. We would ask for your written submission by **2 June 2017**.

Yours sincerely



John Griffiths AM  
Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Carl Sargeant AC/AM  
Ysgrifennydd y Cabinet dros Gymunedau a Phlant  
Cabinet Secretary for Communities and Children



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref MA-P-CS-1329-17

John Griffiths AM  
Chair of Equalities and Local Government Committee  
National Assembly for Wales

31<sup>st</sup> May 2017

Dear John

Thank you for your letter of 16 May requesting further information regarding the Communities First programme and inviting me to give evidence to the Committee's inquiry into lessons learnt from Communities First

I am delighted to accept your invitation and will submit written evidence on behalf of the Welsh Government in due course.

As regards the analysis of the responses to the Talk Communities engagements, Arad Consulting were contracted, following a tendering process in line with Welsh Government procurement rules. Arad Consulting were asked to carry out a detailed analysis of all the feedback, both from the engagement events and the online survey. Their report was published on the Welsh Government Communities First webpages following my statement to Plenary in February and both the executive summary and full report can be accessed at the following link:

<http://gov.wales/topics/people-and-communities/communities/communitiesfirst/?lang=en>

I took their report as well as the statutory impact assessments fully into account in making my decision about the future of the Programme.

In terms of reporting outcomes for the Communities First funding for 2017-18, to reflect this is a transitional year we have not mandated a single set of performance measures for all Lead Delivery Bodies (LDBs). Instead, we expect LDBs to develop clear, SMART objectives outlining what they will seek to achieve and how they will monitor progress.

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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.

This was outlined in the Transition and Strategy Guidance. They will also be required to submit two written monitoring reports, in September 2017 and March 2018, reporting on performance in year as well as progress with their transition.

Alongside these objectives, my officials are also monitoring the financial transactions and claims against the funding allocations.

As part of ensuring the effectiveness of LDBs' transitional arrangements, the Communities First Transition Team is meeting regularly with LDBs both individually and at Network Meetings and otherwise offering help and support during the year.

Yours sincerely

A handwritten signature in cursive script, reading "Carl Sargeant". The signature is written in black ink on a white background.

**Carl Sargeant AC/AM**

Ysgrifennydd y Cabinet dros Gymunedau a Phlant  
Cabinet Secretary for Communities and Children

## Agenda Item 5.3 Equality, Local Government and Communities Committee

### Abolition of the Right to Buy and Associated Rights (Wales) Bill

#### Key statistics

**Total number of participants:** 33

**Location of participants:** Pembrokeshire, Carmarthenshire, Ceredigion, Caerphilly, Rhondda Cynon Taf, Swansea, Cardiff, Vale of Glamorgan, Ynys Môn, Conwy, Flintshire, Denbighshire, Wrexham.

#### TPAS West Wales Tenants Network

**Number of participants:** 9

**Residence of participants:** Pembrokeshire (4), Carmarthenshire (3), Ceredigion (1), Observer (1), Staff (2)

#### What do people know about RTB/RTA?

- What are the positives? (e.g. access to home ownership)
- What are the negatives? (e.g. impact on the wider community, loss of social housing stock, properties ending up in the PRS, better homes in nicer areas have been sold)

The majority of participants felt that rents paid through social housing and HA properties should not be used to subsidise other tenants desire to purchase, when properties could be better utilised for housing those in need (particularly those who are in poverty and those who find themselves homeless): "*social housing should be social housing*". In addition to depleting the housing stock, the subsidisation of the schemes "takes away an opportunity for someone to have somewhere to live".

Participants from **Carmarthenshire** explained that the introduction of the schemes saw the selling of larger 3 – 4 bedroom properties that are still in shortage now. One participant explained how some of these 3 – 4 bedroom properties, although initially



purchased by those eligible to apply for the schemes, are owned by private landlords and can be purchased on the market at +£300,000.

None of the participants had exercised their rights to acquire or buy, but one participant drew on the experiences of neighbours on her estate. All of but one of the properties were still owned by the original tenants – the remainder now in private landlords hands.

The group discussed the initial policy and thought–process behind the introduction of the **schemes**. The theory of proposing to build two new social housing units for each social house purchased or acquired was good – but that it didn't happen in practice. Many local authorities were unable to build further properties, and many participants questions where the funds from these sales were used.

All of the participants acknowledged the squeeze that people now feel in trying to access the housing market and improving the social housing stock. Schemes such as Help to Buy require prospective applicants to be earning a minimum of £15,000 a year to qualify, and "affordable housing" retails at around £165,000. One participant stated: "*Affordable to whom?*". The average annual salary in some areas is less than the minimum to qualify and as such, some of the participants discussed the lack of awareness such schemes have of the communities they're intended to support.

- **Have tenants been consulted sufficiently on these proposals? (Welsh Tenants and TPAS responded to the consultation on the white paper in 2015 and said there hadn't been long enough to properly engage with tenants)**

Participants did not feel that they have been sufficiently consulted on these proposals. All landlords then were required to share the consultation questionnaire with tenants, but many didn't receive it. Participants also explained that, rather than facilitating public meetings on estates etc. the Welsh Government utilised opportunities that had already been planned in the community in order to engage with tenants: "They could have held a tea on the green – it wasn't specific".



## Views on suspending the RTB and RTA

- Is the suspension of RTB/RTA preferable to abolition? (will it give councils and housing associations long enough to improve the supply of new homes?)
- Should suspensions be given a chance to have an impact? (the first suspension only happened a couple of years ago)

"*Suspension is better than nothing*" expressed on participant, but many didn't feel that suspension was preferable to abolition, as if it was, (and housing a priority), areas where there had been suspensions would have prioritised and practiced the theory behind the schemes in the first instance: replenishing the housing stock twice over with each purchase. **Carmarthenshire** participants explained that only now has the LA been permitted to build 30 new bungalows, and it was one of the first to suspend and needed Welsh Government permission to do so.

One participant (**Ceredigion**) queried the process of monitoring the impact of suspension now and how successful it has been. **Stock is slowly replenishing but not at the rate that is needed in order to begin having an impact.** Participants expressed that this rate is certainly not quick enough in rural Wales.

**Pembrokeshire** and **Ceredigion** participants explained that the majority of social housing lost to the PRS were lost to student housing and tourism / holiday rentals for business profit: "*It happens quite often*". These now privately owned properties (sometimes within estates which were wholly LA / HA owned) can be in worse condition aesthetically, and tenants/owners don't have to conform in the same way current LA / HA tenants do.

- **Should tenants in areas where RTB/RTA have been suspended have another chance to buy their home before these schemes are abolished?**

Participants acknowledged that special consideration needed to be paid for those tenants living in areas of suspension.

**Carmarthenshire** participants explained that when suspension was introduced, tenants were given an opportunity to put forward applications for their Right to Buy / Acquire to sit on a **waiting list** (i.e. in anticipation of the suspension lifting). **They queried what would happen to them, if all other eligible tenants were offered another chance to buy**



**their properties?** By what degree would this list increase and who would be prioritised? Did any other areas where suspension took place provide the same space for tenants to wait? If all are given their equal rights to exercise, by what extent would stocks deplete?

Some participants discussed a potential "rush" to purchase, and some felt that **restrictive covenants** should be put in place to ensure that selling on to the PRS didn't happen after the five-year timeframe and that the restriction didn't apply for the first sale only. Another participant also expressed her desire to see a primary residence clause included in this.

One participant (**Pembrokeshire**) also expressed the need to change all tenant contracts once the change happens (in line with the Renting Homes Act) so there are no references to the rights in contracts. The participant also went on to explain the need for the Bill to be clearer in illustrating that it would only apply to R2B / R2A properties, not all properties (adapted homes for example).

## Abolishing RTB/RTA

- **Should these schemes be abolished and why?**

Eight of the nine participants welcomed the proposals put forward in the draft Bill.

**One participant (Ceredigion)** expressed their concerns that the abolition of the right to buy and associated rights removed the choice tenants possessed in having the opportunity to own or rent their properties, and it "*helped young families get on the housing market without having to uproot*". They expressed that many tenants in the long-term invest a lot of time and finances in making their properties "home" and the Right to Buy and Acquire Schemes provided them with a choice.

- **How much notice should be given before they are abolished? (there will be 12 months' notice for most tenants)**

Participants felt that 12 months was not enough notice, and explained that more time needed to be spent engaging with tenants meaningfully.



- Is it appropriate that a shorter notice period applies to newly-let/built housing? (this will take effect two months after Royal Assent)

One participant felt that this could be slightly longer, but explained that builders of newly built housing provide a 12 month guarantee on the property after handing over and that HAs have a 10 year guarantee – did this pass on to the tenant who make the purchase? Another participant queried how the direct engagement with tenants and the obligation to share information on the proposed changes would be done in this timeframe.

- How should tenants be informed of the changes? (are tenants confident that their landlords will convey the information to all tenants)

Participants were shown the **draft version of the information** document which is intended to be sent to relevant landlords and tenants, if the Bill was to be passed by the Assembly.

One participant noted that **all of the further information available in the document was online** only: "*Why aren't there any campaigns on this going on now on the television or radio?*" Participants expressed their **concerns** of the **closing communal points in the community** (like libraries) and the lack of facilities available for people to begin to search for this information: "*...everything requires access to social media and the net now...anything that happens now quotes a www. resource...people will be uniformed*". Others within the group went on to share their ideas of using community vans and parking up in estates for a few hours in order to have a presence in the community if people needed to discuss.

Of **greater concern** by the participants, was the process by which landlords and LAs / HAs would be require to send the information directly to tenants: "*Some people are too scared to engage with them – people have a genuine fear of them. If you get a letter from the council or a text from the landlord asking to pop-round the first thing you'll think is: Am I being evicted? What have I done wrong? People are afraid*".





One participant expressed how **formal meetings were in decline within the community**, and getting new tenants to join existing networks was a challenge. As such, he proposed the need to test and adopt **different approaches**. The participant also elaborated on a Tenant Profiling Exercise carried out by the Welsh Government a few years ago. Landlords, LAs and HAs were required to send out the profiling questionnaire to tenants. This was done through the post, and received an initial 25% return. Unsatisfied with the return, those tasked were required to send out staff (with one area hiring up to 80 staff) to go out and engage face-to-face with communities. The result saw an 87% return on completed profiling questionnaires: "*There is still only one way to get to tenants... There is still room for one-to-one. You can use social media for the young people as well as traditional media but resources to deliver need to be made available*". To work longer term and for continued engagement, the participant felt that areas or estates should have community champions – from those communities and not employed or run meetings by LA / HA staff.



## TPAS South Wales Tenants Network

Number of participants: 12

Residence of participants: Cardiff (4), Caerphilly (3), Vale of Glamorgan (1), Rhondda Cynon Taf (1), Swansea (2), Carmarthenshire (1)

### What do people know about RTB/RTA?

- What are the positives? (e.g. access to home ownership)
- What are the negatives? (e.g. impact on the wider community, loss of social housing stock, properties ending up in the PRS, better homes in nicer areas have been sold)

All of the participants who took part in the session **welcomed the Bill**.

In terms of **positives**, participants agreed that on introduction, the rights helped tenants get on the property ladder, but that this was **counteracted** by the fact that the **funds** were then never used to rebuild from the Treasury. This, it was felt, was the cause of so many properties being in the **private rented sector**: *“social housing was set up for working class families. All Right to Buy has done is put it back in the private rented sector, and its housing benefits that pay for it”*.

Some participants felt that because the funds didn't go back into social housing, and properties were sold to the private rented sector, it has created a **“transient population”** within communities: encouraging community dispersal and fragmentation. **This wasn't necessarily a bad thing**, but it was felt that it made community cohesion difficult when some houses on estates are social and others privately-owned and not subject to tenancy rules.

The group discussed the apathy amongst tenants, and that most don't care or **don't know that they even have the rights to exercise**.

One participant explained that he knew of some citizens who had exercised their Rights to Buy, and felt that there wasn't a concerted effort to explain to them that it wasn't always in their best interest to do so: *“It was a great benefit for them to own but they had to make their own maintenance payments. This wasn't explained to people”*.



- **Have tenants been consulted sufficiently on these proposals? (Welsh Tenants and TPAS responded to the consultation on the white paper in 2015 and said there hadn't been long enough to properly engage with tenants)**

Participants felt that if tenants were involved in some way in the tenant movement, they would have at least heard about the proposals. However, for other tenants, they weren't aware whatsoever of the consultation.

### Views on suspending the RTB and RTA

- **Is the suspension of RTB/RTA preferable to abolition? (will it give councils and housing associations long enough to improve the supply of new homes?)**
- **Should suspensions be given a chance to have an impact? (the first suspension only happened a couple of years ago)**

"Suspension is good, but a 5 year suspension isn't long enough to improve the supply. From applying for planning to moving-in, you're talking about more than 5 years" expressed one participant. Some participants also felt that suspension should've happened across Wales for **uniformity**, as a way of making Welsh housing policy better.

- **Should tenants in areas where RTB/RTA have been suspended have another chance to buy their home before these schemes are abolished?**

Participants felt that it wasn't fair that those in areas of suspension did not have the same Rights and that this "*divides the country and communities - we need to be uniting communities*". As such, they felt that **everyone should have the same rights, or every local authority should suspend before abolition takes place.**

### Abolishing RTB/RTA

- **Should these schemes be abolished and why?**

All participants welcomed the proposals put forward in the draft Bill. One participant noted how the Cabinet Secretary's commitment to building 20,000 new homes over the next five years could see them being sold on faster than they were being built by the grace given in the 12 months' notice to exercise following Royal Assent.



- **How much notice should be given before they are abolished? (there will be 12 months' notice for most tenants)**

Participants felt that 12 months' notice would give rise to a potential “**mad rush**” to buy: “It’s been a tenants right for over 30 years...why now? Just because you were given the Right to Buy doesn’t make it morally right that you can buy social housing and take from another”.

- **Is it appropriate that a shorter notice period applies to newly-let/built housing? (this will take effect two months after Royal Assent)**

The group felt that the less time of notice this properties had the better.

- **How should tenants be informed of the changes? (are tenants confident that their landlords will convey the information to all tenants)**

Participants were shown the **draft version of the information** document which is intended to be sent to relevant landlords and tenants, if the Bill was to be passed by the Assembly.

The group agreed that any concerted effort to engage should be **multi-platform** and face-to-face to **mitigate any fear tenants might have in misinterpreting circulars**: “...*people might read and think that they’re losing their homes or being evicted*”. Another participant expressed: “*The Welsh Government is doing this...you need to give people the respect of being spoken to*”.

Participants also felt that social events in the community would also alleviate any concerns.



## TPAS North Wales Tenants Network

Number of participants: 12

Residence of participants: Wrexham (2), Flintshire (3), Conwy (3), Anglesey (3), Denbighshire (1)

### What do people know about RTB/RTA?

- What are the positives? (e.g. access to home ownership)
- What are the negatives? (e.g. impact on the wider community, loss of social housing stock, properties ending up in the PRS, better homes in nicer areas have been sold)

Eight of the participants **welcomed** the **Bill**. In principle and on introduction, the group thought the policy was a good one, but that it was never monitored.

The **positives** were the access to home ownership, and the prospect of further social housing being built from the funds raised from sales. Of course, this did not happen.

Two participants were vocal about **not welcoming the Bill**, stating that it was: “...*the only option to be able to buy a house*”. Participants felt that long standing tenants with a Right to Buy should be able to retain that right they wished, but also queried why the funds raised weren’t used to re-build stock. A second participant **supported the Right to Buy in principle**, and thought it was a “good idea”, but having nearly found themselves homeless, appreciated that social housing should be used for those most in need.

In terms of **negatives**, the **stock depleted** and most properties are now found in the private rented sector. Some participants also felt that Housing Associations should stop providing homes for those who could afford to. The **introduction of the bedroom tax** has also had an impact on the availability of suitable social housing stock. Participants felt that current stock will at least be preserved if the Right to Buy / Acquire was abolished.

Some participants felt that “*Welsh Government needed to change its thinking*” in terms of what they mean by “affordable homes” and “social housing”. One participant elaborated on a 36 home build taking place in Queensferry – ½ are being put up for sale, 1/3 for Housing Associations and just 7 for social housing stock. The group felt



that whilst development was happening, not enough was being used to replenish stock.

- **Have tenants been consulted sufficiently on these proposals? (Welsh Tenants and TPAS responded to the consultation on the white paper in 2015 and said there hadn't been long enough to properly engage with tenants)**

Participants **didn't feel that they had been sufficiently consulted** on these proposals, and that they had not been involved in any discussions.

### Views on suspending the RTB and RTA

- **Is the suspension of RTB/RTA preferable to abolition? (will it give councils and housing associations long enough to improve the supply of new homes?)**
- **Should suspensions be given a chance to have an impact? (the first suspension only happened a couple of years ago)**
- **Should tenants in areas where RTB/RTA have been suspended have another chance to buy their home before these schemes are abolished?**

When discussing the **definition of suspension**, and the Bill proposals, **five of the participants changed their minds on their initial views of being pro-abolition**. It was felt that re-instatement of the Right to Buy following a suspension would be preferable to complete abolition – this would enable to housing stock to adequately replenish. They were also, however, cautious in stating that if this was the case, funds would have to be used to replenish when the Rights would be reinstated: *"...you'd need to do it right this time"*.

The remaining three participants who remained pro-abolition, they questions how suspension would be effective in preserving housing stock in the long term.

Participants **generally felt that tenants in areas where RTB/RTA have been suspended should have another chance to buy their home before these schemes are abolished**.



## Abolishing RTB/RTA

- Should these schemes be abolished and why?

By this point of the discussions, participants were equally for and against the schemes being abolished.

Some participants didn't have a choice but to enter the private rented sector because of the lack of social housing and their status of "*not being priority*". Another participant stated: "*My conscious wouldn't let me by my social housing home*".

- How much notice should be given before they are abolished? (there will be 12 months' notice for most tenants)

One participant felt that the length of time wasn't long enough for people to decide to exercise their Right to Buy, but would be enough time to protect stock. A second participant felt that 12 months was "too long", whilst others felt that it was sufficient.

- Is it appropriate that a shorter notice period applies to newly-let/built housing? (this will take effect two months after Royal Assent)

The group felt that this time frame could be extended slightly in order to give tenants an opportunity to decide. Participants felt that clauses should be included in contracts to impose restrictive covenants that will ensure that if tenant does buy but wants to move on, that it is sold back to the stock.

- How should tenants be informed of the changes? (are tenants confident that their landlords will convey the information to all tenants)

Participants were shown the draft version of the information document which is intended to be sent to relevant landlords and tenants, if the Bill was to be passed by the Assembly.

Participants agreed that any campaign to inform tenants of the changes should take place offline and online, utilising radio, news and television advertisements. One



participant felt that **no acronyms** should be used in the document, and that everything should be spelt out properly.

Rural participant felt that are neglected in terms of consultation and didn't feel that "they were able to take part". Information about the difference between suspension and abolition in some areas should also be made clearer in the draft document.





# Equality, Local Government and Communities Committee

## Abolition of the Right to Buy and Associated Rights (Wales) Bill

Ynys Môn County Council Tenant Participation Group

Number of participants: 12

Residence of participants: Ynys Môn / Anglesey

What do people know about RTB/RTA?

- What are the positives? (e.g. access to home ownership)
- What are the negatives? (e.g. impact on the wider community, loss of social housing stock, properties ending up in the PRS, better homes in nicer areas have been sold)

In terms of **positives**, tenants felt that the Right to Buy enabled tenants to purchase properties, but that it inevitably depleted stocks: “*council housing should be for those in need*”.

Participants **agreed with the suspension** to the Right to Buy, but that abolition was better. Initially, tenants blamed the council for the depletion (given the purchase rule to build two extra houses for each sale) but realised that the funds were all given back to the treasury. Tenants felt that the cost of the sale did not equate financially to the building of two extra properties. Many participants were concerned of the effects the policy would have on young people who aren't in a position to buy properties and access council housing as they “won't meet the criteria”: “they have to be tenants for at least five years”. The current programme in place is to build 195 new homes over the next four years but it is still a fraction of what has been sold off.

In terms of **negatives**, participants felt that **social housing was in need now more than ever** when you considered the amount of people on the island that work 0 hour contracts and as such, can't qualify for a mortgage or Help to Buy: “Anglesey has very low wage salaries”. On average, **islanders earn £14,000 a year, which is less than what is needed to access affordable housing.**



All 12 participants as such welcomed the Bill and its proposals.

Of homes purchased under the scheme, the majority of them can now be found in the private rented sector when rents are “*extortionate*”. This also has an effect on accessing supported accommodation.

One tenant expressed their mother’s experience of exercising her Right to Buy, having lived in the property for over 20 years with the intention of leaving the property to her children. They felt that this was a different situation, and in a sense, supported some of their favour for the Right to Buy: “*we would need to be clear that if there’s a chance that house would be sold it would go back to the council, or it would go to the next of kin*”.

Tenants felt that if this **caveat / restrictive covenant** was included in the exercise of the Right to Buy, people would welcome the idea. The policy, it was felt, has become more about “making money” than people want to stay and purchase the home where they live.

- **Have tenants been consulted sufficiently on these proposals? (Welsh Tenants and TPAS responded to the consultation on the white paper in 2015 and said there hadn’t been long enough to properly engage with tenants)**

Participants felt that they had been **consulted** on the island’s proposals to suspend. One participant explained how they had engaged with tenants across the island, including secondary schools.



## Views on suspending the RTB and RTA

- Is the suspension of RTB/RTA preferable to abolition? (will it give councils and housing associations long enough to improve the supply of new homes?)
- Should suspensions be given a chance to have an impact? (the first suspension only happened a couple of years ago)
- Should tenants in areas where RTB/RTA have been suspended have another chance to buy their home before these schemes are abolished?

Participants felt that for the length of time the suspension has been in place it has “*worked*” / helped start rebuilding the stock. One participant did suggest **extending the suspension to 10 years** (as opposed to five) but that that was still no guarantee of stock recovery. The Right to Buy has, in some participants views, created “*mixed estates*” of social and private housing that has **impacted community dynamics**.

The group discussed the current **Wylfa B project**. They are already seeing that private landlords are trying to “make money” from workers, and there was serious concern that this would impact social housing. Some participants felt that there was a risk in bringing the Bill now as some tenants might decide to exercise their Right to Buy but simply use the property to then rent out to workers of the Wylfa B project.

All of the participants **agreed with suspension in principle**, but 8 of the 12 participants would welcome the abolition immediately. One participant explained that they were currently in a position to buy, having gained a full-time job, but that the suspension stopped them from purchasing their home and they would want to stay there.



## Abolishing RTB/RTA

- Should these schemes be abolished and why?
- How much notice should be given before they are abolished? (there will be 12 months' notice for most tenants)
- Is it appropriate that a shorter notice period applies to newly-let/built housing? (this will take effect two months after Royal Assent)
- How should tenants be informed of the changes? (are tenants confident that their landlords will convey the information to all tenants)

Participants generally felt that the **schemes should be abolished**, but still welcomed the suspension. They felt they were very well supported by the Council, with one participant claiming that in terms of the quality of social housing, they've "*never seen a bad one*", as opposed to the private rented sector where some are in a "terrible state". Council representatives explained how they **wanted to provide more support for young people**, and with changes, develop more social housing suitable for younger people – especially with benefit rights changing. The waiting list for social housing on the island goes up by around 20 people per week.

Participants did feel that they were consulted, but that many people who are elected into public office "*don't understand life on a daily basis*". There is some representation at council level, but this focus group opportunity was the first time they have had engagement with politicians at this level, and they welcomed it.

The **majority of participants felt that the 12 month window of opportunity to exercise the Right to Buy was unnecessary**, and that when the Bill is passed, it should take effect immediately.



**Carl Sargeant AC/AM**  
**Ysgrifennydd y Cabinet dros Gymunedau a Phlant**  
**Cabinet Secretary for Communities and Children**

Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA-L-CS-0361-17

John Griffiths AM  
Chair Equalities, Local Government and Communities Committee  
National Assembly for Wales

22<sup>nd</sup> May 2017

Dear John

### **ABOLITION OF THE RIGHT TO BUY AND ASSOCIATED RIGHTS (WALES) BILL**

Thank you for your letter of 12 May following my recent letters about the Abolition of the Right to Buy and Associated Rights (Wales) Bill.

In your letter, you asked for clarification on a number of matters ahead of my evidence session on 25 May. I have set out the additional details below.

#### Consultation

#### **Consultation on the proposal to abolish the right to buy was undertaken across Wales, including in all areas in which the right to buy has been suspended.**

The Welsh Government's substantive consultation on the proposals for the Right to Buy and associated rights was conducted through the Housing White Paper 'The Future of the Right to Buy and Right to Acquire', between January and April 2015. The White Paper was published on the Welsh Government's website and sent to a wide range of stakeholders, including organisations representing landlords, tenants and the third sector. As mentioned in Part 1 (4) of the Explanatory Memorandum for the Bill, 94 responses were received from a wide range of respondents, including 30 from tenants of social landlords.

Additionally, stakeholder sessions were held between September 2015 and February 2016. These sessions included organisations representing tenants and Shelter Cymru. Welsh Tenants emphasised the need for an adequate supply of social rented housing to meet the needs of those who cannot afford to acquire a home through the housing market. It was with the support of the tenants' representative organisations (Welsh Tenants and TPAS Cymru) that the duty for information to be issued to all tenants was added to the face of the Bill.

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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.

Shelter Cymru favoured a window of opportunity for eligible tenants in areas where suspension is in place. Conversely they, along with the tenants' representative organisations, were also supportive of the use of the 2011 Measure.

The Measure requires local authorities to consult stakeholders as part of the process of applying for suspension, including bodies representing the interests of tenants within the authority's area and such other persons as the authority considers appropriate.

In order for the right to buy to be suspended, a local authority needs to have evidenced that the demand for social housing substantially exceeds its supply or is likely to do so, and that imbalance between supply and demand is likely to increase as a result of the exercise of the right to buy.

### European Convention on Human Rights – Suspended Areas

**The Government does not consider that tenants in areas where the right to buy is suspended, have a possession for the purposes of Article 1 of the First Protocol (A1P1).**

**However, we are satisfied that even if A1P1 were to apply, that the provisions of the Bill, insofar as they work in the context of suspended areas would be compliant with A1P1 and tenants' Convention rights.**

**The provisions contained in the Bill were designed to give effect to the policy of ending the right to buy, and in doing so we are satisfied that the proposals are Convention rights compliant. This is not the same as saying that the proposals in the Bill, in particular in respect of the one year period before abolition, are necessary for the Bill to be Convention rights compliant.**

### *Article 1 of the First Protocol*

A1P1 provides that every natural or legal person is entitled to peaceful enjoyment of their possessions. No one shall be deprived of their possessions except in the public interest and subject to the conditions provided for by law and the general principles of international law. This does not prevent a state enforcing such laws as it deems necessary to control the use of property in accordance with the general interest. In considering whether an interference with a person's possession is compliant with A1P1 the general test is whether:

- the measures taken are in pursuit of a legitimate aim in the public interest;
- the measures taken are reasonable and proportionate and in pursuit of that aim; and
- they strike the "necessary fair balance" between affected parties (see *Mellacher v Austria* (1989) ECHR 10522/83).

In establishing a legitimate aim, States have a wide margin of appreciation in the field of social justice, including social housing (see *James v UK* [1986] ECHR 8793/79).

The legitimate public aim being sought is the protection of social housing stock. Whilst the proposals in the Bill may affect existing tenants directly, the policy is intended to benefit existing tenants, tenants currently on waiting lists, homeless people and any individuals who may find themselves in a position of needing to rely on social housing stock in the future. Whilst there are tenants in areas in which the right to buy has been suspended, and tenants in areas that can still exercise the right to buy, as stated above, where suspension already exists, local authorities will have needed to demonstrate acute levels of housing pressure and a substantial imbalance in supply and demand.

Tenants will also have been consulted upon suspension and have had the opportunity to buy the bricks and mortar in their homes, prior to suspension taking effect.

Local authorities and RSLs in areas where suspension has arisen will have developed business plans on that basis, and have taken action to implement those plans and ensure the delivery of social housing for those most in need of it. To reverse suspension would have the effect of acting in a manner which, albeit temporarily, ignores the fact high pressure for homes exists.

The proposals in the Bill also need to be considered in a wider context. The ending of the right to buy will not affect tenants' rights to occupy their homes; tenants will still have security of tenure and affordable rents, and will benefit from the investment by landlords to bring all social housing up to the WHQS. There are also a range of other measures being taken by the Government to assist access to housing in a variety of tenures, for example Help to Buy – Wales and Homebuy. The Government and social landlords are also investing in new social housing stock which will be safeguarded for future generations by removing the obligation on a landlord to sell their assets at a discount.

The equality and children's rights impact assessments (published on the Welsh Government's website) also show a positive impact as a result of the Bill, and the proposals in the Bill are fully aligned with the principles of the Well-being of Future Generations (Wales) Act 2016.

To summarise, the Government is content that all of the proposals contained in the Bill, including their impact on tenants in both suspended and other areas, are in pursuit of a legitimate aim in the public interest, are reasonable and proportionate in pursuit of that aim, and strike the necessary fair balance. Therefore, the Government considers the provisions in the Bill are compatible with Convention rights and are within the Assembly's competence.

#### *Article 14*

Article 14 provides "*the enjoyment of the rights and freedoms set forth in this European Convention on Human Rights shall be secured without discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status*". Article 14 does not provide for a free-standing right to non-discrimination but requires that all other Convention rights are secured without discrimination. As stated, the Government considers that A1P1 does not apply in respect to tenants in suspended areas, on which basis neither does Article 14. However, even if it did, the Government does not believe that there would be discrimination on any of the grounds listed, and in any event the circumstances of tenants in the different areas are not analogous.

Scotland also had areas in which the right to buy was suspended prior to abolition, which took place in 2016. Those suspensions were not lifted prior to abolition. I understand there has not been any formal complaint on Human Rights grounds in Scotland.

#### *Tenants of Suspended Areas - Legitimate Expectation*

**There has been wide consultation in respect of abolition of the right buy, and the policy was included in Labour and Plaid Cymru's manifesto prior to the election in May 2016. We do not consider that tenants could reasonably expect that the suspensions would come to an end prior to abolition.**

A direction suspending the right to buy in an area under the Housing (Wales) Measure 2011 can last initially for five years, extendable to ten. All applications for suspension so far have been for five years.

The abolition of the right to buy was included in the manifestos of both Welsh Labour and Plaid Cymru prior to the Assembly election in 2016. At no point has the Government made any promise or representation that suspensions would be lifted before abolition. Therefore, given the wide publicity of, and consultation on, the Government's proposals to abolish the right to buy, we do not think that any tenants could reasonably say that they have an expectation that the suspension will be lifted prior to abolition (whether after five years, or ten years, if extended) and that an opportunity to exercise the right to buy would be available at that point.

### Judicial Review

We cannot comment on the action individuals may take in bringing any action for judicial review. That is a matter for those individuals. However, we can reiterate that we consider the Bill to be within the Assembly's legislative competence and compliant with Convention rights to the extent that they arise.

### "Previously let stock"

Thank you for your comments in respect of sections 2 and 4 of the Bill. We appreciate that these provisions are complex and the Government has endeavoured to draft them as simply as possible. However, there are some constraints due to the need to deal with the intricacies of existing legislation, with complexities arising in particular in relation to the preserved right to buy, and due to the need to carve out some exceptions from the general rule restricting the right to buy.

We did consider phrasing these sections with reference to "newly let stock", and in fact an earlier draft of the Bill was produced on this basis. The definition of "newly let stock" was necessarily still framed in reference to stock that was not 'existing stock', though, ie previously let stock. So it was not possible to avoid this concept altogether. In addition, we found that dealing with the complexities of the exception and the preserved right to buy was conceptually complicated by this approach. So, for drafting reasons, the alternative approach in the Bill was adopted.

I hope this information is helpful and look forward to attending the Committee's meeting on 25 May.

Yours sincerely



### **Carl Sargeant AC/AM**

Ysgrifennydd y Cabinet dros Gymunedau a Phlant  
Cabinet Secretary for Communities and Children



# Agenda Item 5.5

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau  
Equality, Local Government and Communities Committee  
ELGC(5)-17-17 Papur 9 / Paper 9

Carl Sargeant AM  
Cabinet Secretary for Communities and Children

26 May 2017

Dear Carl,

## **Abolition of the Right to Buy and Associated Rights (Wales) Bill**

Thank you for attending the evidence session on 25 May on the Abolition of the Right to Buy and Associated Rights (Wales) Bill ('the Bill').

During the session you agreed to write to the Committee on the following points:

- to provide the number of properties likely to be affected by the proposed restrictions on newly-let dwellings, and
- to provide details of the consultation process undertaken for abolition that was carried out ahead of the Bill's introduction.

Following the session, the Committee agreed that I should write to you seeking clarification on the following issues to help inform the drafting of the report:




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- what modelling has been done on the likely impact on the sale of social housing stock when determining the length of the notice period;
- whether any evidence has been collated on the spike in sales of properties in areas where the right to buy and right to acquire have been suspended; and
- the practical implications for the Welsh Government of lifting the restrictions in areas where the right to buy and right to acquire have already been suspended.

I should be grateful if you would respond by 9 June 2017 at the latest.

Yours sincerely



John Griffiths AM  
Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Mark Drakeford AM/AC

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol  
Cabinet Secretary for Finance and Local Government



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA-P-MD-1844-17

John Griffiths AM  
Chair, Equality, Local Government and Communities Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

23 May 2017

Dear John

I am writing in response to your letter of 26 April asking what representations we will be making to the UK Government to ensure that the protection of human rights is central to the Brexit negotiations.

As a Government, we have been unambiguous in our commitment to maintaining the social protections related to human rights, and more broadly, which derive from our membership of the EU. We share the concern of the Committee that the process of withdrawing from the European Union, including the intention from outgoing UK Government not to convert the Charter of Fundamental Rights into UK law, risks weakening the human rights legal framework in the UK.

Securing social protections formed one of the six priorities in our White Paper, Securing Wales' Future, and I have pressed the UK Government on these at meetings of the Joint Ministerial Committee (EU Negotiations) and in bilateral discussions with the UK Government. In particular, we have made clear that the Welsh Government would strongly oppose any efforts to withdraw from the European Convention on Human Rights (ECHR).

The outgoing UK Government showed some signs of recognising the priority we attached to this, with its White Paper 'Legislating for the United Kingdom's Withdrawal from the European Union' stating: "The UK's withdrawal from the EU will not change the UK's participation in the ECHR and there are no plans to withdraw from the ECHR." However, as

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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.

outlined above, we have real concerns around the outgoing UK Government's intentions in respect of the Charter of Fundamental Rights.

Our commitment to human rights and other social protections will be a critical part of the discussions we will have with the incoming UK Government after the General Election. At this time, ahead of the election, it is not possible to specify the exact nature or form of those discussions, but we will continue to do all we can to ensure that the rights which people in Wales presently enjoy are not weakened through the UK's withdrawal from the EU.

Yours sincerely

A handwritten signature in black ink that reads "Mark".

**Mark Drakeford AC/AM**

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol  
Cabinet Secretary for Finance and Local Government

Ein cyf/Our ref: MA-L-MD-0359-17

John Griffiths AM  
Chair  
Equality, Local Government and Communities Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
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23 May 2017

Deur John,

Thank you for your letter of 26 April, seeking clarity on some outstanding areas relating to the White Paper *Reforming Local Government: Resilient and Renewed*, following the evidence session on 29 March.

Further information and clarification on the five areas raised is provided below in the order set out in your letter.

In determining whether local authorities should change their voting system and use single transferrable vote instead of first-past-the-post, I would expect a local authority to engage with its citizens and make decisions informed by its citizens. It will be for a full council meeting of the local authority to choose, having considered the views of all concerned, including local residents. Following the recent White Paper consultation, I am considering whether this should be subject to a simple or two-thirds majority, the latter being the threshold required for amending the National Assembly's own electoral system.

In relation to mandating changes to the electoral system, I believe local authorities, just like the National Assembly, should have the opportunity to consider their own electoral arrangements. I want to give local authorities the choice. The White Paper proposes to allow local authorities to make a decision which is right for them in their own context.

The Wales Act 2017 will enable us to modernise local government electoral arrangements in Wales, including votes for 16 and 17-year-olds and improvements to voter registration and voting. We will consult on this in more detail in the summer.

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The Well-being of Future Generations Act provides flexibility for Public Services Boards to work together on a wider footprint, with powers formally to merge and to collaborate across a broad range of their activities. The requirement for local authorities to work increasingly on a regional basis will have implications for Public Services Boards, both in terms of how they organise themselves and how they engage with the new arrangements. We will consider and discuss this further as we develop our proposals for regional working.

You asked for clarification about staff eligibility for redundancy payments if staff are made redundant by a local authority because of the consolidation of services into a cluster arrangement across local authorities and then appointed into a comparable job within the consolidated regional service.

Decisions about individual cases are for local authorities under the relevant legislation and as the employer. I expect local authorities to work closely with trade unions in developing arrangements for consolidating services, having fully considered the employment implications. Existing examples of sharing or consolidating services have seen local authorities transfer staff rather than make individuals redundant and in doing so they have applied the principles of TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006).

In addition, under the Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999, if an employee who is under notice of redundancy receives an offer of a job from another body listed in the modification order – in this case, another local authority – before the termination of his or her employment and takes it up within four weeks of the end of the old employment, there will be no dismissal for redundancy payment purposes. If an employee does take on a new job with a modification order body in these circumstances, the provisions relating to a trial period in the Employment Rights Act 1996 will apply. Therefore, if the employee decides not to continue with the job during the first four weeks, they will be able to terminate the contract (whether with or without notice) and receive a redundancy payment from the old employer.

The Small Business, Enterprise and Employment Act 2015 enables the recovery of exit payments made to employees earning more than £80,000 who return to the public sector within 12 months of being made redundant. Regulations bringing this into effect have been consulted on by HM Treasury but have not yet been made.

*Best wishes,*

*Mark*

**Mark Drakeford AM/AC**

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol  
Cabinet Secretary for Finance and Local Government

John Griffiths AM  
Chair, Equality, Local Government and Communities  
Committee  
National Assembly for Wales  
Ty Hywel  
Cardiff Bay  
CF99 1NA

25 May 2017

Dear John

### **Petitions currently under consideration by the Petitions Committee**

I am keen that we provide the best possible service to people and organisations who petition the National Assembly for Wales.

In this spirit, and a desire to support joint-working between Assembly committees, I am writing to you to share information about the petitions we are currently considering which concern subjects within the remit of your Committee.

The current list is in the annex to this letter.

If any petitions are relevant to your current work programme it will assist us in our consideration if you, or your clerking team, could let us know. If you would like any further information on any of these petitions I would also be happy to provide it.

Yours sincerely



Mike Hedges AC/AM  
Cadeirydd/ Chair





## Annex

P-04-519	<a href="#"><u>Abolition of Park Homes Sales Commission</u></a>
P-05-711	<a href="#"><u>Ensure Disabled People's Housing Adaption Needs Are Adequately Met</u></a>
P-05-723	<a href="#"><u>Establish Proportional Representation Voting System for Welsh Local Council Elections.</u></a>
P-05-726	<a href="#"><u>Give rate relief to Local Authorities for Leisure and Cultural facilities</u></a>
P-05-734	<a href="#"><u>Ban Letting Agent Fees to Tenants</u></a>
P-05-742	<a href="#"><u>Stop Forsythia Closing!</u></a>
P-05-761	<a href="#"><u>Demand Funding from the Welsh Government to Support Autism Spectrum Connections Cymru</u></a>

