

Agenda – External Affairs and Additional Legislation Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date: 26 February 2018

Meeting time: 14.00

For further information contact:

Alun Davidson

Committee Clerk

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Private pre-meeting (13.45–14.00)

1 Introductions, apologies, substitutions and declarations of interest

(14.00)

2 Equalities and Brexit: evidence session 1

(14.00–14.45)

(Pages 1 – 13)

Nicola Williams, Equality and Human Rights Commission Wales

Gideon Calder, Equality Trust

Koldo Casla, Just Fair

George Wilson, Liberty

Break (14.45–14.50)

3 Equalities and Brexit: evidence session 2

(14.50–15.35)

Dr Rachel Minto, Cardiff University

Dr Panos Kapotas, University of Plymouth

Professor Simon Hoffman, Swansea University

Break (15.35–15.40)



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

4 Equalities and Brexit: evidence session 3

(15.40–16.25)

Catherine Fookes, Women's Equality Network

Rhian Davies, Disability Wales

Andrew White, Stonewall

Uzo Iwobi, Race Council Wales

5 Paper(s) to note

(16.25)

- 5.1 Paper to note 1 – Letter from Chair of Constitutional and Legislative Affairs Committee to the Secretary of State for Wales regarding the European Union (Withdrawal) Bill – 16 February 2018**

(Pages 14 – 16)

- 5.2 Paper to note 2 – Letter from the Minister for Housing and Regeneration regarding Regulation of Registered Social Landlords (Wales) Bill Stage 1 report recommendations – 21 February 2018**

(Pages 17 – 19)

- 5.3 Paper to note 3 – Letter from the Minister for Housing and Regeneration to Chair of Constitutional and Legislative Affairs Committee regarding Regulation of Registered Social Landlords (Wales) Bill Stage 1 report recommendations – 21 February 2018**

(Pages 20 – 25)

- 5.4 Paper to note 4 – Letter from the Minister for Housing and Regeneration to Chair of Finance Committee regarding Regulation of Registered Social Landlords (Wales) Bill Financial implications report recommendations – 21 February 2018**

(Pages 26 – 27)

- 5.5 Paper to note 5 – Letter from the Chair of Health, Social Care and Sport Committee to the Cabinet Secretary for Finance regarding 'How is the Welsh Government preparing for Brexit?' – 22 February 2018**

(Pages 28 – 30)

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

(16.30)

7 Equalities and Brexit: consideration of evidence

(16.30–16.45)

8 Legislative Consent Memorandum: Trade Bill – consideration of draft report

(16.45–17.30)

(Pages 31 – 48)

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Rt Hon Alun Cairns MP
Secretary of State for Wales

16 February 2018

Dear Alun,

EU (Withdrawal) Bill

Below we set out our response to the issues you raised in your letter to the Llywydd dated 16 January 2018. In brief, we welcome the amendments but note the relatively small effect they will have when compared to the constitutional principles that remain a matter of contention. In other words, we do not believe that these relatively minor concessions will be enough to secure the consent of the National Assembly for Wales in relation to the Bill. We also question why many of the proposed amendments were not included on the face of the Bill as it was introduced in the House of Commons.

Committee stage amendments – scrutiny of regulations

We respond to the question of what scrutiny procedures should apply to regulations in devolved areas in [our report].

Clause 10 amendment – requirement to consult

We welcome confirmation that the duty of the Welsh Ministers to obtain the consent of the UK Government will change to a duty to consult the UK Government. However, we note the considerable difference that remains between the powers given to UK Ministers and the powers given to the Welsh Ministers under the Bill, including in devolved areas. That difference highlights one of the many ways the Bill fails to respect devolution.



Clause 10 – power to amend direct EU legislation

As part of our general scrutiny of statutory instruments, we regularly note that where a statutory instrument relates in some way to an EU Regulation, the Bill imposes limits on what the Assembly and the Welsh Ministers can do in respect of the EU Regulation, even if the EU Regulation deals with a devolved area like food, water, agriculture, fisheries and the environment.

We welcome any increase in powers in relation to such EU Regulations and direct EU legislation in general. However, such increase is still dependent on agreement around common frameworks. We would welcome an update from the UK Government as to its latest thinking around common frameworks and the progress of discussions with the Welsh Government around common frameworks.

Clause 7

Again, we welcome the amendment to the clause 7 powers (and its knock-on effect on the powers given to the Welsh Ministers under Schedule 2). However, we again note that this seems a small concession in the scheme of the regulation-making powers contained in the Bill.

Rights of challenge based on the general principles of EU law

We welcome that challenges based on general principles (such as non-discrimination, proportionality and the right of children to be protected) will be allowed for three months after exit. However, we note that Acts of the UK Parliament will not be open to challenge during that three month window, but Acts of the National Assembly (and Acts of the Scottish Parliament and Acts of the Northern Ireland Assembly) will be open to challenge.

We regret that the UK Government's default position is to rely on the sovereignty of the UK Parliament; that approach does not always result in a fair and balanced distribution of legislative power across the United Kingdom. As we note in paragraphs 17 and 30 our report on the LCM for the Bill:

"Devolution has fundamentally changed the UK constitution. While it is widely recognised in Wales, Scotland and Northern Ireland that the UK Constitution has moved on from a London-centric model, it is not always clear that the UK Government recognises that the UK constitution has moved on in the same way".



"The Bill in its intention to revive the supremacy of the UK Parliament, appears to do so at the expense of devolution."

I would be happy to discuss this letter and accompanying report with you if that would be helpful.

I am copying this letter to the Llywydd, the First Minister, the Chair of the External Affairs and Additional Legislation Committee and the Chair of the Welsh Affairs Select Committee of the House of Commons.

Yours sincerely



Mick Antoniw AM

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.
We welcome correspondence in Welsh or English.



Ein cyf/Our ref MA - L/RE/0076/18

David Rees AM
Chair
External Affairs and Additional Legislation Committee
National Assembly for Wales
Cardiff
CF99 1NA

21 February 2018

Dear David,

I would like to thank the External Affairs and Additional Legislation Committee for its scrutiny of the Regulation of Registered Social Landlords (Wales) Bill during Stage 1 of the legislative process. I have set out responses to the six recommendations made in the Committee's Stage 1 scrutiny report on the Bill below.

1) *The Committee recommends that the National Assembly for Wales agrees the general principles of the Bill.*

I welcome this recommendation and the Committee's support for the general principles of the Bill.

2) *In light of the conflicting messages received relating to the status of local councillors as independent members of RSL Boards, the Committee recommends that the Welsh Government clarifies the position definitively in its response to this report.*

I accept this recommendation and will update the Committee once further information is available.

- 3) *The Committee recommends that the Bill is amended to ensure that a failure to comply with the Regulatory Framework, and the associated performance standards, is explicitly recognised on the face of the Bill as a failure to comply with a requirement imposed under an enactment.*

I have noted the Committee's comments. To clarify, the term "Regulatory Framework" does not itself appear in legislation. The legal requirements which must be met by RSLs are contained in the performance standards issued under section 33A of the Housing Act 1996. These take the central role in the Regulatory Framework, which also sets out the process by which Regulatory Judgements are reached.

Section 33A is already clear that the performance standards must be met by RSLs, and therefore there is no doubt that they are "requirements imposed under an enactment". Therefore I am satisfied that further clarification in the Bill is unnecessary and could be detrimental to the status of other requirements which are imposed under an enactment.

Where the effect of legislation is clear, it is not necessary to include additional words of clarification, and doing so can have unintended adverse consequences for the interpretation of other provisions which do not have similar words of clarification. However, I have asked officials to review the Explanatory Notes to consider whether additional reference to the issue would be helpful.

- 4) *The Committee recommends that the Welsh Government brings forward amendments to strengthen the role of tenants on RSL Boards which set out a formal process for tenant participation before certain constitutional changes and/or mergers are made.*

Tenants at the heart of regulation is one of the key principles of the Regulatory Framework. The Bill does nothing to change this. Expectations for tenant consultation and the need for Boards to take into account the views of tenants are currently set out in the regulatory framework and guidance. Assuming the Bill is enacted, it is intended that this guidance will be updated and issued as statutory guidance and if any such guidance is not followed, this could be reflected in the regulatory judgment and regulatory enforcement action considered.

It is my view the regulatory expectations around consultation with tenants and listening to their views are fundamental, and the potential regulatory consequences for any Boards which do not take those responsibilities seriously provides assurance to tenants that their interests are safeguarded.

In terms of the role of tenants on Boards, the Bill does not weaken the role of Board members who may be tenants, nor does it change the position that it is RSLs which determine who their Board members are and determine the number of tenant Board members - not the Welsh Government.

Whilst any revised statutory guidance will be subject to consultation, my officials have prepared draft guidance regarding constitutional changes by way of merger. If it is helpful, I am able to share this example with the Committee on a confidential basis since we would not be consulting on the guidance until after the passage of the Bill, to illustrate the requirements on consulting and listening to tenants before making decisions.

- 5) *The Committee recommends that the Welsh Government brings forward an amendment to clarify that the regulation-making powers in section 18 provide the power to make consequential amendments only.*

It is clear from the evidence provided to the Committee, and as outlined in the report, that there was some uncertainty as to the exact scope and purpose of the power in section 18.

Section 18 does not provide a power to make further amendments to achieve reclassification. Its scope is limited to allowing the Welsh Ministers to ensure that the existing law continues to work effectively in the light of the specific changes made by the Bill. Any amendments made using the power need to be closely connected to the specific changes made by this Bill.

I have however accepted this recommendation and asked officials to develop an amendment to the Bill, with a view to indicating more clearly the scope of the power. I note that there was a recommendation from the Constitutional and Legislative Affairs Committee relating to this power.

6) *The Committee recommends that the National Assembly conducts post-legislative scrutiny of the Bill should it become an Act to ensure in particular that tenants' rights are safeguarded and that RSLs are not disposing of land and assets in a way unanticipated by the Welsh Government.*

This recommendation is for the National Assembly, but I would welcome the opportunity for the Welsh Government to be involved in any post-legislative scrutiny process as appropriate, and can confirm our ongoing regulatory oversight will include the protection of tenants' rights as well as any other unintended consequences.

I hope this letter is helpful in setting out my response to the Committee's report. I will also be writing to the Chairs of the Constitutional and Legislative Affairs Committee and the Finance Committee with regard to their Stage 1 reports, and will copy the letters to all three Committee Chairs.

I look forward to continuing to work with Members as the Bill progresses through the Assembly process.

Yours sincerely,



Rebecca Evans AC/AM
Y Gweinidog Tai ac Adfywio
Minister for Housing and Regeneration



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA(L)/RE/0073/18

Mick Antoniw AM
Chair
Constitutional and Legislative Affairs Committee
National Assembly for Wales
Cardiff
CF99 1NA

21 February 2018

Dear Mick,

I would like to thank the Constitutional and Legislative Affairs Committee for its scrutiny of the Regulation of Registered Social Landlords (Wales) Bill during Stage 1 of the legislative process. I have set out responses to the ten recommendations made in the Committee's Stage 1 scrutiny report on the Bill below.

- 1) *We recommend that the Minister justifies during the Stage 1 debate the reasons for introducing a Bill that amends existing UK legislation rather than one that is consolidated and free-standing.*

I accept this recommendation and am happy to reiterate and add to the points I made in my opening speech in the General Principles debate as to the reasons why we did not introduce a Bill to consolidate legislation in this area.

The Welsh Government is grateful for the Constitutional and Legislative Affairs Committee's continued interest in, and support for, the consolidation of devolved law.

We are very conscious of the benefits of consolidating the devolved law of Wales, thereby making that law easier to find and easier to understand, and increasing the amount of bilingual law in devolved areas. Our response to the Law Commission's recommendations in the Commission's report on the Form and Accessibility of the Law Applicable in Wales was clear about the benefits of consolidation.

However, as I am sure the Committee appreciates, there is likely to be a continuing need for Bills to change the law for particular purposes and, even though our long term aim is to consolidate devolved Welsh law, this does not mean we can commit to consolidate the law in a particular area each time we need to make changes to that law.

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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 is because the question of whether to undertake consolidation will always need to be considered on a Bill-by-Bill basis. This means taking into account the availability of resource, and whether it is the right time (in the light of factors such as other changes happening to the area of law) to consolidate.

If we had attempted to consolidate the whole of the law relating to RSLs as part of this Bill, it would not only have given rise to a resource issue, we would have run the risk that the consolidation process would not have been completed in time to avoid the consequences of ONS' reclassification of RSLs. Given the significance of those consequences, in my view it would have been wrong to run that risk.

As the Welsh Government's response to the Law Commission highlighted, consolidation is a major task which requires significant resource. As I know the Committee fully appreciates, consolidation is not a simple matter of copying existing legislation and transferring it into a new Bill. When legislative provisions which have been in place for many years are examined during a consolidation process, it is inevitable that they will throw up many questions about their meaning and accessibility, and whether they still operate properly in the current legislative landscape. This is particularly true where devolution has intervened since provisions were originally enacted.

The Committee has asked whether the Welsh Government could have started working on this project in October 2015 when ONS decided that English housing associations should be reclassified. The Committee also suggests that we might have been able to obtain a longer window to carry out a consolidation project, relying on an assurance from the Treasury that they could extend their temporary disapplication of accounting controls beyond March 2018, provided that we had made sufficient progress with the legislative changes considered necessary by ONS.

As I said during the debate, RSLs are of course governed by different legislation and a different regulatory regime from housing associations in England, and it was not until September 2016 that ONS published the outcome of its review in respect of RSLs. That was followed by a process of establishing with ONS exactly what legislative changes we needed to make to achieve the reclassification of RSLs.

Even if it had been technically possible to commence the project in October 2015, it would have been necessary to find significant additional policy, legal, drafting and translation resources to carry it out. At that point our existing resources were already committed elsewhere in the legislative programme.

Leaving aside the issue of the resources which would have been needed, the period starting in September 2016 would have provided much too short a window to use this Bill for a consolidation project. As regards the possibility of persuading the Treasury to extend its temporary disapplication of accounting controls on the basis that we were making sufficient progress with the legislative changes to facilitate reclassification, consolidation would have slowed that progress considerably. It is my view that it would have been inappropriate to take the risk that the Treasury would be prepared to grant an extension covering the longer process of consolidation.

2) *We recommend that the Welsh Government gives careful consideration to consolidating the law in this area when the next opportunity to do so arises.*

I accept this recommendation as the Welsh Government is actively considering the issue of the consolidation of devolved Welsh law, and how that could be taken forward. However, as I also said in response to Recommendation 1, the question of whether to undertake consolidation will always need to be considered on a Bill-by-Bill basis.

The availability of resources and how to prioritise their use will be a major factor in the decision as to whether to take forward a particular consolidation. However, another significant factor will be whether ongoing reforms are already underway in a particular area, and whether it would be sensible to wait until those reforms are fully implemented before embarking on consolidating legislation.

The law on RSLs is of course part of the much larger devolved area of housing. It is an area which covers a very significant amount of legislation and it is an area which the Welsh Government recognises as one which would very much benefit from consolidation.

It is an area in which we have already made significant legislative changes, and tried to make the law more accessible, for example through the Renting Homes (Wales) Act 2016, the Housing (Wales) Act 2014 and the Mobile Homes (Wales) Act 2013. Very recently of course, the Assembly passed the Abolition of the Right to Buy and Associated Rights (Wales) Act 2018.

The breadth of the area of housing means that any consolidation would require significant resource, and that issue will need to be addressed before we can take a consolidation forward.

3) *We recommend that the Minister should table an amendment to the Bill to the effect that any appointments made under sections 6 or 8 end when the relevant requirement is complied with or the relevant failure has been remedied to the satisfaction of the Welsh Ministers.*

I am not minded to bring forward an amendment to address this issue as I am concerned it could give rise to a number of difficulties.

Having an 'automatic' termination of appointment triggered by a particular circumstance could give rise to uncertainty about when a person's appointment had ended. Furthermore, it would not allow for a transition period in which the officer would remain in post while, for example, the Welsh Ministers satisfied themselves that the RSL was now capable of operating without the officer's assistance.

The current regulatory regime contains safeguards and operates in such a way that officers or managers appointed by the Welsh Ministers to deal with a specific problem will not stay in post longer than necessary.

- 4) *We recommend that the Minister should table an amendment to section 13(2) of the Bill to make it clear that section 81 of the Housing Act 1988 is only repealed in respect of Wales.*
- 5) *We recommend that the Minister seeks confirmation from the UK Government of the timescales for the removal of references to England in the Housing Act 1988*

I have considered this issue carefully and I am content that section 13(2) of the Bill, as it stands, is correct.

I appreciate that where legislation which applies in England and Wales is amended by an Act of the Assembly, the accessibility and clarity of the legislation which will continue to apply in England is of the utmost importance.

However, in respect of section 81 of the Housing Act 1988, once the requirement for an RSL to obtain consent to a disposal of land is removed, the section will no longer have any effect in relation to England.

Section 81 applies only to disposals of land by RSLs, where the RSL acquired that land from a Housing Action Trust. RSLs are registered in Wales and must be principally concerned with Welsh housing. However, this does not preclude RSLs from owning and managing property in England (although, in practice, owning and managing land in England accounts for a very small proportion of RSL operations).

In order to remove central government controls to the extent necessary to achieve the reclassification of RSLs, it is necessary to repeal section 81 in its entirety. It has already been repealed in relation to non-profit registered providers (the RSL equivalent in England).

The repeal will remove the function of the Secretary of State to consent to the disposal of former Housing Action Trust land by an RSL if that land is in England. This repeal of the Secretary of State's function raises no separate issue of principle and we are content that its effect is incidental to, or consequential on, the main purpose of the repeal which is to remove the requirement for RSLs to obtain central government consent for disposals.

- 6) *We recommend that the Minister should table an amendment so that it is clear on the face of the Bill that the new definition of "notify" is to be inserted into section 63 of the Housing Act 1996 after the definition of "notice" and before the definition of "public sector landlord".*

I am satisfied that the provision which inserts the definition of "notify" into section 63 of the Housing Act 1996 is drafted in the most appropriate way.

When inserting a new definition into a list of definitions, it is common drafting practice to provide that the new definition should be inserted "in the appropriate place", rather than identifying which existing definitions it should appear between. This is because it is possible that, before the amendment is commenced, another piece of legislation may insert another definition in the space where the amendment was going to insert a definition.

By providing that the new definition is to be inserted "in the appropriate place", it means that it can be inserted in the correct alphabetical position at the time the insertion is commenced.

- 7) *We recommend that the Minister should table an amendment to the Bill to compel the Welsh Ministers to, within 14 days after a direction is given under section 5 or 14, cause the text of the direction to be laid before the National Assembly together with a written statement to explain the purpose of the direction.*

I have considered this issue and I am content that, given the nature and the content of the directions to be given under the new provisions in sections 5 and 14 of the Bill, the provision as it currently stands is proportionate in the circumstances. Therefore I have decided against bringing forward an amendment in respect of this issue.

However, I am more than happy to give a commitment that directions given under the new provisions will be published on the Welsh Government's website.

The scope of the directions to be given under these provisions is very limited. The directions will deal with the delivery, form and content of notifications to be given to the Welsh Ministers, and the deadlines for doing so. The directions therefore deal with administrative matters.

There are already a number of other direction making powers in the Housing Act 1996, and across a wide variety of legislation, which are not required to be laid before the Assembly.

- 8) *We recommend that the Minister should table an amendment to replace the wording of section 18(1) of the Bill to state that regulations may make any incidental or consequential provisions that the Welsh Ministers consider necessary for the purpose of, or in connection with, or for giving full effect to, any provision contained in or made under the Bill.*

The power in section 18 is a narrow one. It could not be used to do anything which is not closely connected with the Bill's provisions.

Regarding the Committee's recommended wording, my view is that a requirement for an amendment to be "necessary", rather than "appropriate", before it can be made under this power is too strict a test to apply. There may be several ways of dealing with a particular provision which is affected by the Bill, and the Welsh Ministers need to be able to choose the one which is most appropriate to make the law clear and operate properly.

If the Welsh Ministers could do no more than was strictly necessary in making an amendment, it may limit their ability to make the existing law work effectively following the changes made by the Bill.

In relation to a recommendation from the External Affairs and Additional Legislation Committee, I have asked my officials to develop an amendment to indicate more clearly the scope of the power.

- 9) *We recommend that the Minister should table an amendment to state that the powers provided by this provision shall lapse upon the date that confirmation is published by the ONS that RSLs are reclassified as private non-financial corporations.*

It may be helpful if I confirm that this power cannot be used to make further amendments for the purposes of facilitating the reclassification of RSLs by ONS. It is for the purpose of making amendments which arise as a result of the changes to the law which are specifically made by the Bill.

If the power to make amendments were to lapse as suggested by the Committee and the amendment regulations had not yet been made, our ability to make them would be at an end.

Furthermore, although we do our utmost to identify all the provisions which need amending and deal with them in a single set of regulations, it is always possible that a provision may come to light subsequently. It is also possible that provisions made after the date of reclassification need to be amended.

I consider therefore that an amendment power that lapses as suggested by the Committee would be too restrictive to ensure we are able to amend all the provisions which may be affected by this Bill.

10) We recommend that the Minister should table an amendment to Schedule 1 of the Bill to delete the words "but the landlord may not remove an appointee until after the two month period expires" from section 7C(3) to be inserted into the Housing Act 1996.

I have accepted this recommendation in principle and will bring forward an amendment to address the issue raised by the Committee.

I would also like to take this opportunity to clarify one point raised in the report regarding paragraph 9 of Schedule 2 to the Bill and the interaction with the Abolition of the Right to Buy and Associated Rights (Wales) Act 2018 (the 2018 Act). The date for final abolition has now been set as the 26 January 2019 (see the Abolition of the Right to Buy and Associated Rights (Wales) Act 2018 (Commencement and Saving Provisions) Order 2018). If this Bill progresses as anticipated, it should come into force before final abolition takes place. Therefore, section 16 of the Housing Act 1996 will need to be amended by this Bill, before being repealed by the 2018 Act on 26 January 2019.

I hope this letter is helpful in setting out responses to the Committee's report. I will also be writing to the Chairs of the External Affairs and Additional Legislation Committee and the Finance Committee with regard to their Stage 1 reports, and will copy the letters to all three Committee Chairs.

I look forward to continuing to work with Members as the Bill progresses through the Assembly process.

Yours sincerely,



Rebecca Evans AC/AM
Y Gweinidog Tai ac Adfywio
Minister for Housing and Regeneration



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA - L/RE/0066/18

Simon Thomas AM
Chair
Finance Committee
National Assembly for Wales
Cardiff
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21 February 2018

Dear Simon,

I would like to thank the Finance Committee for its scrutiny of the Regulation of Registered Social Landlords (Wales) Bill during Stage 1 of the legislative process. I have set out responses to the three recommendations made in the Finance Committee Stage 1 scrutiny report on the Regulation of Registered Social Landlords (Wales) Bill below.

- 1) The Committee recommends that the Welsh Government outlines a strategy for how it will monitor the financial performance of Registered Social Landlords in order to minimise the risks associated with deregulation of the sector*

I accept this recommendation. Continued financial viability of RSLs is critical. Financial performance of each RSL is monitored as part of continuous regulatory oversight and informs the published annual regulatory judgements on financial viability and governance and landlord services.

There are risks when RSL Boards decide to undertake new activities. What is important, however, is how Boards identify, understand, consider and manage those risks. The Performance Standards, which RSLs must meet, includes a requirement to evidence how new business risks are identified, assessed and managed and is one of the factors taken into account in reaching regulatory judgements.

The Welsh Government will be publishing a review of the current levels of exposure to non core business activities (diversification) and will set out its intention to monitor forward plans over a rolling five year period to inform its view on the overall levels of exposure of the sector as well as individual RSLs to ensure the risk is appropriate and manageable. The review and strategy will be published in the forthcoming sector risk overview publication due in Spring 2018.

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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.

- 2) *The Committee recommends that the Welsh Government should allocate sufficient resources to enable the Tenant Participation Advisory Service to increase its communication with tenants to ensure that they are aware and understand the change of regime as a result of this Bill.*
- 3) *The Committee recommends that the Welsh Government should allocate sufficient resources for the production of guidance for Registered Social Landlords to ensure a consistent approach to implementing the new regime.*

I accept these recommendations. I am currently of the view there are sufficient resources in place for the reasons identified in the Regulatory Impact Assessment. I can, however, assure the Committee that resources are under constant review by officials and in liaison with TPAS Cymru and the RSL sector.

I hope this letter is helpful in setting out my response to the Committee's report. I will also be writing to the Chairs of the External Affairs and Additional Legislation Committee and the Constitutional and Legislative Affairs Committee with regard to their Stage 1 reports and will copy the letters to all three Committee Chairs.

I look forward to continuing to work with Members as the Bill progresses through the Assembly process.

Yours sincerely,



Rebecca Evans AC/AM
Y Gweinidog Tai ac Adfywio
Minister for Housing and Regeneration

Mark Drakeford AM
Cabinet Secretary for Finance

22 February 2018

Dear Mark,

In the autumn of 2016, the [Health, Social Care and Sport Committee](#) established a set of [strategic objectives](#) for the Fifth Assembly and agreed to consider all its work in the context of these objectives. I am writing to you in your capacity as Chair of the Welsh Government's European Advisory Group and in relation to our fifth strategic objective – consideration of the implications of the UK's withdrawal from the European Union (EU).

In November 2016, the Committee [raised the issue](#) of exiting the EU (Brexit) with the then Cabinet Secretary for Health, Well-being and Sport and Minister for Social Services and Public Health during scrutiny of the Welsh Government draft budget for 2017–18. At that time, we said there is a need to be confident that work is underway in the Welsh Government to plan for any number of future possibilities, particularly in relation to the key areas of staffing, research, regulation and funding. We further considered the implications of Brexit during our [scrutiny](#) of the Welsh Government draft budget for 2018–19.

Our report into [Medical recruitment in Wales](#), published in June 2017, looked at the implications of Brexit for medical recruitment. During our evidence gathering, concerns were raised about the potential and very uncertain consequences of Brexit on health and social care staffing. We concluded that continued dialogue with the UK Government was needed to clarify the ability of EU nationals to continue working in the UK, as well as having the ability to work as medical professionals in Wales in the future.

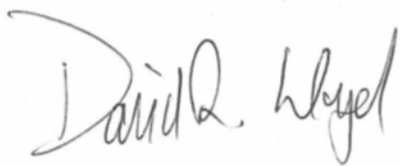


You will be aware that the External Affairs and Additional Legislation (EAAL) Committee published its report '[How is the Welsh Government preparing for Brexit?](#)' earlier this month. The Chair of the EAAL Committee wrote to me to draw specific attention to sections 3.2 and 3.4 of the report, which comment on changes to immigration rules and implications for health following the UK's exit from the EU. We have noted the strength of concern presented to the EAAL Committee regarding disease prevention, health technologies regulation, reciprocal health care arrangements, and research collaboration and innovation. We have also noted that, in your [written evidence](#) to the EAAL Committee, you state the implications for health and other public services are being addressed by senior officials across the Welsh Government and co-ordinated through the Cabinet Sub-Committee and the European Transition Officials Group.

Members considered the letter from the Chair of EAAL Committee during our meeting on 14 February. Following that discussion, I would like to request that you provide this Committee with information on how the Welsh Government is looking to ensure continued cooperation with the EU on the matters outlined above and on other matters such as recognition of medical qualifications, maintaining medical research links, and continued cooperation on public health issues.

I look forward to receiving your response at the earliest opportunity.

Kind regards

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

Dr Dai Lloyd AM
Chair, Health, Social Care and Sport Committee

Copied to:

Vaughan Gething AM, Cabinet Secretary for Health and Social Services
David Rees AM, Chair of the External Affairs and Additional Legislation Committee

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