Jane Hutt AS/MS Y Gweinidog Cyfiawnder Cymdeithasol Minister for Social Justice



Ein cyf/Our ref:

Jenny Rathbone MS Chair Equality and Social Justice Committee

28 June 2022

Dear Jenny

Please find update to the Equality and Social Justice Committee relating to recommendation 7 of the report on Debt and the Pandemic which was published in December 2021.

Recommendation 7 states that the Welsh Government should explore the feasibility of introducing 'debt bonfires' in relation to aspects of public sector debt, drawing on evidence from Wales and beyond, and should write to the Committee with its conclusions by the end of June 2022.

Knowledge and Analytical Services (KAS) and Policy officials have been in discussions to consider how best to take this forward and concluded that the focus should be on debt to local authorities in Wales, as debts to other public bodies are out of scope for Welsh Government.

You will be pleased to note that we have a number of reviews underway which are considering local authority debts including an evaluation of council tax interventions to support vulnerable people which we recently commissioned Policy in Practice to carry out. Due to be published at the end of this year, the evaluation will consider use of the council tax protocol, the extent to which discretionary powers (e.g. to write off debts) are being used, and identify good practice. In addition to the good practice protocol, the evaluation will also look at the implementation of the exemption for care leavers (aged under 25), the standardisation of the application procedure for a Severe Mental Impairment (SMI) exemption and the removal of committal as an enforcement method for council tax arrears.

Citizen's Advice Cymru will also be launching a new report based on research into people's experiences of council tax debt collection in Wales on 6 July and I will share this with you once it has been published.

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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.

With regards to looking at the evidence from outside of Wales, officials are scoping options for conducting a potential review of existing evidence on what happens in other countries and what the outcomes are. I would be grateful if you could provide more of a steer on what the committee hopes to achieve so that this can be considered as part of any activity which is taken forward.

Yours sincerely

Jane Hutt AS/MS

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