

David Beckett
Head of Economic Statistics Classifications
Office for National Statistics

10 November 2017

Dear David,

Stage 1 consideration of the Regulation of Registered Social Landlords (Wales) Bill

Following introduction of the above Bill to the National Assembly for Wales on 16 October 2017, you will be aware that the responsible Committee created a small sub-committee for the purposes of Stage 1 scrutiny of the Bill. I am writing as Chair of the parent Committee to seek clarification from you on a matter that is of interest to Members.

We have begun taking evidence on the Bill as part of our Stage 1 scrutiny of the general principles of the Bill. During the first set of oral evidence sessions, we heard evidence regarding the position of the ONS regarding any agreed amendments to this Bill and it quickly became apparent to us that this poses an important constitutional question. In particular, Members felt that scrutiny could be inhibited because any amendments made to the Bill could affect reclassification of the Registered Social Landlords (“RSLs”) sector in Wales.

We understand from the Welsh Government that the ONS has provided it with a provisional classification decision based on the Bill as introduced. We note that the ONS has stated publicly that if the Bill becomes law in its current form the totality of public sector influence would not constitute public sector control. We understand that this would be subject to a further review in the context of international rules. We also understand from the Welsh Government that the ONS does not wish to give a “running commentary” on any amendments to the Bill and we can appreciate the reasons for this.



As part of the scrutiny process, however, amendments may be made to the Bill. Whereas it is impossible to pre-judge whether or not Members would seek to alter the Bill substantially (or at all) it is important for us to have certainty at this stage as to what the view of the ONS is on dealing with amendments to the Bill before the Bill receives Royal Assent. We would be grateful if you could confirm that the ONS will state publicly whether the Bill (as amended) would allow the ONS to review the classification of Welsh RSLs in the context of international rules and return them to the private sector, prior to the final vote of the whole Assembly on the Bill.

We would also like to request clarification regarding the 24 per cent figure in relation to local authority membership of RSL boards. Schedule 1 of the Bill places a limit of 24 per cent on local authority appointments to an RSL board. We would be grateful if the ONS could please confirm the rationale behind this figure.

It would be extremely helpful if you were able to clarify the ONS' position in relation to the above points. I would also be grateful if a response could be provided by 28 November in order to inform Members' thinking.

I look forward to your response.

Yours sincerely,

A handwritten signature in black ink that reads "David F. Rees." The signature is written in a cursive style with a large initial 'D' and 'R'.

David Rees AM

Chair of the External Affairs and Additional Legislation Committee

