

Julie James MS

Minister for Housing and Local Government

15 May 2020

### **Follow up from evidence session on 5 May**

Dear Julie,

Thank you to you and your officials for participating in our first virtual committee meeting on 5 May, to discuss the impact of Covid-19. We found it very useful and it will help inform our on-going work.

We were reassured by the key actions and support the Welsh Government is providing within the local government and housing sectors. We are particularly impressed with the response within local government, housing and the third sector in getting some of the most vulnerable people off the streets. We are incredibly grateful for the hard work of everyone who has been involved with this effort. As you are aware, rough sleeping has been a key area of focus for us, before the pandemic and we know that the Welsh Government will still be taking forward the Homelessness Action Group's recommendations. We hope that these positive steps that have been taken with rough sleepers can be continued after the initial emergency has passed, and that they can be supported into sustainable long term accommodation. We must do all we can to ensure nobody returns to living on the streets.

There are some issues which we would welcome further information on, which I detail below:



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## **Local Government**

We welcome the approach you outlined in your evidence, that the additional funding is based on actual expenditure, rather than a formula, meaning that local government can claim back what they have actually spent. However, some of our Members have been contacted by local authorities noting that despite the Welsh Government's announcement of an additional £110million in funding to fight the virus, local authorities are not yet able to access it. Could you clarify exactly how local authorities can access this additional funding, and if you are aware of any administrative difficulties?

We are aware of the difficulties some local authorities may face in supporting their local economies, in particular ensuring that high streets remain sustainable during the period of restrictions. We are concerned that there is a risk that businesses will not remain viable, and the longer term impact this could have on communities and local economies. What work is the Welsh Government doing to ensure local authorities can provide the necessary levels of support for local economies?

While we recognise that the current priority is responding to the immediate emergency, we note that in doing so, local authorities have made some positive changes to service delivery and working practices. It may be beneficial to continue with some service changes once this emergency has passed. This is an area which we are likely to focus some of our attention on in the future, but we are interested to know what work is being done within the Welsh Government to capture these positive changes and to share them across the sector?

One of the changes that some of our Members have noted, is the shift in attitude towards third sector partners by some local authorities. The third sector is more likely to be included in the decision making process as a result of the pandemic. Previous scrutiny work on Public Services Boards for example has shown that third sector engagement has often been dependent on individual personal relationships within local authorities. How can we build on this change in attitude and approach to ensure it continues once the current emergency has passed?

## **Housing**

As noted at the start of the letter, we were pleased to hear the positive work that has been done to get rough sleepers off the streets and into accommodation. We do not underestimate the scale of the challenge this posed; and we hope that this can be built upon, so that these people do not return to the streets once the current emergency is over. Could you provide some further clarity on how you are ensuring that the levels of




support for those who have been provided with accommodation is consistent across Wales?

You highlighted to us your concern about the impact of current temporary UK Government policy changes being reversed as the lockdown restrictions are lifted, in relation to Local Housing Allowance rates; and the support to people with no recourse to public funds. For us to better understand what work, if any, we need to do on this, it would be helpful if you could provide us with more information on the discussions you have had with the UK Government on both of these issues.

Finally, one of our Members has highlighted concerns about the implementation of the grant scheme for businesses linked to non-domestic rates (Grant 2) after being contacted by a large number of holiday let businesses and sector representatives. They are concerned that the sector was not involved in drawing up the eligibility criteria, and as a result, the criteria neither meets the Welsh Government's goals or the sector's needs. They are aware that local authorities can use their discretion in applying the criteria, but experience so far seems to suggest this is not always happening. There are also concerns about the length of time it is taking for applications to be considered, and grants to be issued which is having significant impact on these businesses. They have highlighted that much of the evidence local authorities are requesting is already provided to the VAO as part of the process for such properties to be included within the Non-Domestic (Business) Rates scheme and have suggested that as a result local authorities do not need to request this information for the purposes of applying for the grant, therefore reducing bureaucracy and speeding up the process. Will the Welsh Government be reviewing the criteria in light of this evidence, and how will you be working with local authorities and the sector to ensure such businesses can access the support they need to survive the current restrictions?

Once again, thank your time and openness when giving evidence to the Committee.

Yours sincerely,



John Griffiths MS

Chair

We welcome correspondence in Welsh or English.

