



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Cymunedau, Cydraddoldeb a **Llywodraeth Leol** **The Communities, Equality and Local Government** **Committee**

Dydd Iau, 29 Mawrth 2012
Thursday, 29 March 2012

Cynnwys **Contents**

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions

Sesiwn i Graffu ar Waith y Gweinidog—y Gweinidog Llywodraeth Leol a Chymunedau
Ministerial Scrutiny Session—Minister for Local Government and Communities

Sesiwn i Graffu ar Waith y Gweinidog—y Gweinidog Tai, Adfywio a Threftadaeth
Ministerial
Scrutiny Session—Minister for Housing, Regeneration and Heritage

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod
Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Mike Hedges	Llafur Labour
Mark Isherwood	Ceidwadwyr Cymreig Welsh Conservatives
Ann Jones	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Gwyn R. Price	Llafur Labour
Kenneth Skates	Llafur Labour
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales
Joyce Watson	Llafur Labour

Eraill yn bresennol
Others in attendance

John Howells	Cyfarwyddwr Tai, Adfywio a Threftadaeth, Llywodraeth Cymru Director of Housing, Regeneration and Heritage, Welsh Government
Huw Lewis	Aelod Cynulliad, Llafur (Y Gweinidog Tai, Adfywio a Threftadaeth) Assembly Member, Labour (The Minister for Housing, Regeneration and Heritage)
Owain Lloyd	Dirprwy Gyfarwyddwr Gweithrediadau, Llywodraeth Leol a Chymunedau, Llywodraeth Cymru Deputy Director of Operations, Local Government and Communities, Welsh Government
Dr June Milligan	Cyfarwyddwr Cyffredinol, Llywodraeth Leol a Chymunedau, Llywodraeth Cymru Director General, Local Government and Communities, Welsh Government
Kath Palmer	Dirprwy Gyfarwyddwr y Gyfarwyddiaeth Dai, Llywodraeth Cymru Deputy Director, Housing Directorate, Welsh Government
Carl Sargeant	Aelod Cynulliad, Llafur (Y Gweinidog Llywodraeth Leol a Chymunedau) Assembly Member, Labour (The Minister for Local Government and Communities)

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Marc Wyn Jones	Clerc Clerk
Rhys Iorwerth	Ymchwilydd Researcher
Bethan Roberts	Cynghorydd Cyfreithiol Legal Adviser

*Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions**

[1] **Ann Jones:** Good morning, everyone, and welcome to the Communities, Equality and Local Government Committee. I ask Members around the table to switch off their mobile phones or BlackBerrys, as they interfere with the broadcasting equipment and can sometimes interfere with the translation feed. Translation is available from Welsh to English on channel 1, and the amplification of the floor language is on channel 0.

[2] We are not expecting the fire alarm to operate today, but if it does we will take our instructions from the ushers or, as I usually say at this point, you can follow me because I will be one of the first out. The assembly point is by the Pierhead building.

[3] We have received apologies from Bethan Jenkins and Janet Finch-Saunders. There are no substitutions.

[4] Do any Members wish to declare any interests before we start? I see that no-one does. Thank you.

9.31 a.m.

**Sesiwn i Graffu ar Waith y Gweinidog—y Gweinidog Llywodraeth Leol a
Chymunedau
Ministerial Scrutiny Session—Minister for Local Government and Communities**

[5] **Ann Jones:** I welcome Carl Sargeant, the Minister for Local Government and Communities to the committee. You are present at this committee quite a lot, so you are aware of us all and know that we will be good with you. I am sure that we will.

[6] **The Minister for Local Government and Communities (Carl Sargeant):** Even better, Chair.

[7] **Ann Jones:** Will you introduce your officials, Minister?

[8] **Carl Sargeant:** I will let them introduce themselves, Chair.

[9] **Dr Milligan:** I am June Milligan, the Director General for Local Government and Communities.

[10] **Ann Jones:** You do not have to touch the microphones; they will come on automatically.

[11] **Mr Lloyd:** Okay, thank you, Chair. I am Owain Lloyd, and I am Head of Operations for Local Government and Communities.

[12] **Ann Jones:** Thank you. There is a lot that we want to ask you, so could we go straight into some questions from Members?

[13] **Carl Sargeant:** I am happy with that, Chair.

[14] **Ann Jones:** Good. Joyce has the first question.

[15] **Joyce Watson:** Good morning, Minister. I want to ask you some questions on the Local Government (Wales) Measure 2011. Given that the consultation is ending, could you update the committee on any progress on the commencement and implementation of the Local Government (Wales) Measure 2011?

[16] **Carl Sargeant:** Thank you for the question, Joyce. We are well under way with the Local Government (Wales) Measure. There are some final elements of the Measure that will be introduced in April. The consultation is under way on those last pieces of the Measure. Those include looking at the aspects of membership—which candidates stand for election and so on—and we are also consulting on and doing some pilot initiatives in relation to remote attendance. So, broadly, the Measure is in force, but the final bits are to be introduced shortly.

[17] **Joyce Watson:** How will you monitor any progress and the impact that that Measure will have on local government in the future?

[18] **Carl Sargeant:** It is very early, but the long-term plan is to understand the implications of the Measure. One example that I have just given is the shaping and re-focusing of opportunities for people to stand as candidates and to become councillors. You will be aware, given that I have said this before, that the general profile of a councillor is a white male over the age of 65. There are some very good councillors, but we are trying to broaden the opportunities for ethnic minority groups, women and younger people to engage in the work of councils. However, the proof is in the pudding. We need to find a benchmark. These people might already be putting themselves forward as candidates without success—we do not know yet whether that is the case or not. So, we are trying to find out what happens. We will be getting the data shortly through this process. So, it is a moveable feast. We are trying to benchmark the position and then we will move forward with the data. When the data become available, I will be more than happy to share them with the committee.

[19] **Ann Jones:** Gwyn has some questions on collaboration.

[20] **Gwyn R. Price:** What support, financial or otherwise, are you providing to local authorities to put the Simpson compact and his collaboration agenda into practice?

[21] **Carl Sargeant:** You will be aware of the public service leadership group that I chair. It brings together leaders from across the public sector, not just from local government. The regional chairs include Peter Vaughan from South Wales Police, and Mary Burrows from Betsi Cadwaladr local health board is the official north Wales chair. We are bringing in people from across the public sector. My team is taking this agenda forward to support that.

[22] We also support the WLGA in terms of the improvement grants that are available for it to support new initiatives and training opportunities around collaboration. I am comfortable with the finances that we give to support local authorities and the broader public sector. We are not doing this because of some great panacea of change as regards the ideological view of changing the system, but because we are being driven to it as a result of the financial constraints we are heading towards. There is less money to go around. We are trying to encourage collaboration that will gain cost benefits in the longer term but has minimal input at the beginning. I recognise that sometimes you have to stimulate change with a little bit of funding and, where we find that necessary, we will do that. The WLGA, through us, funds that. Broadly, collaboration is going quite well. The agenda is being adopted. The Simpson compact was signed off and we are well on our way.

[23] **Peter Black:** I am interested in the evidence base of the collaboration agenda. Local

authorities are collaborating at the moment. Some collaboration projects have failed to get off the ground. They have started and then fallen apart. What sort of research have you done to look at the reasons why those collaboration projects failed? What elements have you pulled from the successful collaboration projects that will help everyone understand how this agenda can be taken forward?

[24] **Carl Sargeant:** Collaboration is not an easy magic bullet. It is complex. Working beyond the public sector of local authorities only—with the inclusion of local health boards and so on—is complicated; there are issues with human resources in particular. We are learning from that all of the time.

[25] The public service leadership group is working on workstreams around workforce development in particular, and how to overcome some of the barriers that present themselves. People are not presenting those barriers on purpose, but they are there. Integration across the workforce is quite complex.

[26] On the measurement element, we have just introduced a measurement framework. It is supported by the auditor general. He was involved in its development, so that he understands it. I was keen to ensure that that happened, because we would not want to create something that he thinks is terrible. We wanted to understand what he understood collaboration to be, and how that improvement agenda should be taken forward. We have introduced that and it has been adopted by the PSLG. While we drive the collaboration message and agenda, the collaboration itself is brought about from the grass roots. Simpson did his report and created the Simpson compact. That has been adopted by local authorities and they are taking that forward on their grounds, not on ours. It is about what they see as the best way and how the best way fits.

[27] When we have great opportunities as regards good practice, after some authorities have picked up on parts of Simpson, or parts of other collaboration models, and said that that is a really good idea and they can do it and they do deliver it, my frustration is around how to get that across the 22 authorities, broadly. Part of the PSLG is about sharing best practice out and about. There will be failures, but I am not in the game of blaming people for trying. If they give it a go and it does not work, then we will start again. However, getting people to start is sometimes the tricky bit. We need to learn from those mistakes and failures. There have been some, and they vary. They are not always about one thing, whether it is HR or practical issues. It is about trying to learn from that. The PSLG is a body that learned from the grass roots, not from me telling it what to do. It comes up with deals and delivers them.

[28] **Peter Black:** It strikes me that you have silos within local authorities, but you also have inbuilt inertia at different levels—among different levels of officers and different levels of councillors. They all have different motives for not collaborating. It seems to me that if you want to push this agenda, you have to understand all of that and work with it to persuade and cajole and provide an evidence base for them doing this. The other danger is saying that because it worked in Gwent, Glamorgan or Powys or wherever, it will work across the whole of Wales. That is my concern, because it seems to me that you are trying to take a top-down approach instead of allowing these things to grow up naturally.

[29] **Carl Sargeant:** I probably would not accept that. Perhaps I have not explained myself well enough for you to fully understand our position. We have taken the Simpson report and brought in the key players. Mary Burrows, the chief executive of Betsi Cadwaladr LHB in north Wales, is the biggest single spender in local health board terms in Wales, and she chairs the north Wales collaboration agenda. This is bringing all the local authorities, the fire service, the police and the health board together to move forward. We do not drive that. They drive it and they just report centrally so that, where there is good practice, it can be shared. Chair, it might be useful for me to write you at some point to set out the structure of

the PSLG, so that you understand that there are regional chairs, national leads and elements driving the Simpson agenda and so on. It might provide a bit more clarity with regard to exactly what the PSLG does. Although I chair it, and I push the collaboration agenda because I think that is right, these leaders are taking forward an agenda—their agenda—and that is really important, so it is being driven from the bottom up, not from the top.

[30] **Peter Black:** I have one more point on this—

[31] **Ann Jones:** We will take that explanatory note, and we may want to return to this at a later date. Sorry, Peter; go ahead.

[32] **Peter Black:** The other issue is that you are looking at collaboration as a cost-saving measure, and a great deal of the most successful collaboration is about adding value, which does not necessarily save money. I am concerned that the single focus on saving money is not actually getting the best out of the collaboration agenda. The other connected issue is whether other sectors are involved, such as higher education and further education—whether this is happening across sectors within a geographical area as opposed to between councils. How is that advancing?

[33] **Carl Sargeant:** This is not a single issue for me. There are two simple tests that we try to apply: will it save money and will we get a better service? If we get both of those right, it generally makes sense. There might be complexity about how we do that, but that should be a reasonable starting point. However, we also have to remember that, if we are talking about a broader collaboration agenda, some of the partners are not always going to achieve as big a saving as others. However, it is not about dragging people down; it is about lifting everyone up. One authority might gain a little or might not gain at all, but the five others it is collaborating with might bring greater opportunities.

[34] I have been talking to the auditor general about measurements for this, because there were some technical issues with regard to some legislation on the auditor general measuring improvement. Ticking the box of measuring improvement is one thing, but driving this whole agenda and lifting up public services with less is much more important. I have talked to the auditor general about how we measure that. He is comfortable with that. I did not want to compromise his measurement with regard to taking this agenda forward. There was red tape getting in the way of driving public services forward. Therefore, I think that we are in a better place, but it is not always about an individual authority gaining all the time. It might be about a broader improvement for Welsh public services. That is probably what we are trying to achieve. I do not want authorities to go backwards, but the gains for some might be better than for others.

[35] **Ann Jones:** Mark and Mike want to come in on this.

[36] **Mark Isherwood:** Good morning, Minister. You mention cost cutting as a driver, but it is not the case that working smarter is the right thing to do in any budgetary environment if it is going to enable better services to be delivered together that could not be delivered apart. So, it should be a general approach rather than a specific budgetary approach.

9.45 a.m.

[37] **Carl Sargeant:** Please do not think that my agenda here is just about saving money. The fact of the matter is that there is less money, and there is a consequence of that: you have to do something different or you lose services. That is a matter of fact. That is why we are driving the agenda, saying, 'Look, let's think upfront, while we have a little bit of space in terms of finances, about how we can readjust services for better delivery'. I hope that that will create a cost saving. The consequences of just changing a service without a cost saving are

that you may get a better service, but when you have less money, you will have a reduction. There is an endgame here—there is less money to go round, so you have to do something. However, it is not being driven solely by financial change. It is about the quantum and how we can get better service delivery. That might mean an authority or an organisation not doing something, and somebody else doing that for them. I have a great example from the public service leadership group—it is just a small example, but it is real, and it only came about because people were talking to each other, which had never happened before. South Wales Police have issues with the sheets and blankets in the cells; when they become soiled, they are hazardous waste. It costs South Wales Police a fortune to get them laundered and returned. The health service deals with this on a daily basis, and said, ‘We can sort that problem out for you’. That was a very simple transaction, and it was a case of, ‘Why didn’t we think of this before?’ That was a relationship issue, not a procurement issue about thinking ahead and saving money. It was just a bit of common sense. By bringing the leaders of all these organisations together, I believe that we can make some significant changes and cost savings, resulting in better services as well. We should keep testing the system, and I am certainly keeping the pressure on.

[38] **Mark Isherwood:** So, it is about maximising service delivery for the resource available, whether that is a time of plenty or famine.

[39] **Carl Sargeant:** Absolutely.

[40] **Mark Isherwood:** That is a key point, I think. There is a lot of talk, and a lot of good projects out there, based on the co-design, co-delivery model, which is not just public sector bodies working together, but other bodies working with them. To what extent do your proposals incorporate that strategic delivery model so that public services are delivered in the most efficient way in real partnership, particularly with professional third sector bodies or independent bodies?

[41] **Carl Sargeant:** As I said, there will probably be times where a particular organisation will not be best placed to deliver. If there are 22 authorities delivering something 22 times, that may not be the right model, and it may not be the authorities that should be delivering. In terms of the relationship, that is why, on the PSLG, the third sector’s Graham Benfield has a seat at the table, and the third sector is an important player in the delivery of services. We recognise that. You will be aware of my commitment to introduce a compact between local authorities and the third sector; again, what we tended to see is that the cinderella services, which would be perceived as the nice things to do, are generally procured through the third sector. Most of those services are essential, but they are the first things to be cut in the budget when local authorities find themselves under pressure. I do not find that appropriate, and that is why I have been having a dialogue with authorities and the third sector to say, ‘Let’s look at the whole picture of service delivery. Is it right for the third sector to do this for local authorities? If it is, let the third sector do it, but let it do it well’. Again, it is about quality of service for the best price that we can get. The third sector is sometimes better placed to do that, and that is certainly on my agenda. My team is very clear about that.

[42] **Mark Isherwood:** I have one final question. From Beecham through to Simpson, the feedback that I have had from councillors and officers informally is concern that, although working together to maximise service delivery should be the route to follow where that can generate better critical mass and services that might not otherwise be delivered, or not to that standard, we must also protect local service delivery where those services are best delivered by an individual council on the basis of local accountability. How do you ensure the safeguards and the checks and balances to prevent the baby being thrown out with the bath water?

[43] **Carl Sargeant:** I do not accept that local accountability is reduced by collaboration.

We have seen that already where we have great collaboration schemes that are scrutinised by authorities under their local democratic duty.

[44] As Peter said, obstacles are sometimes placed in the way of this because of the silo mentality of ownership. People think, 'We've always done this and we should continue to do this'. However, we have to get into the real world of delivery. Local services are okay if you can afford them. I think that the future will be a very different place, where the finances are reduced significantly and where there will either be good services or no services. The good services may be provided locally, but we cannot always have local services, because they may at times be of poor quality. I do not think that we should be delivering poor quality services just for the sake of delivering them locally when, presented in a different way and delivered through a different model, people can get good quality services.

[45] There is a balance to strike with ownership. Scrutiny is really important, and I think that we have opportunities in place for cross-border scrutiny beyond local authority level. We have placed that in the Local Government (Wales) Measure 2011, and I think that we have to go beyond that and ask, 'Actually, where is the best place for this service to be delivered from?' That might not be your authority, but it is about delivering a good service for the people who expect it. Professionals and politicians—all of us—have to grow up in that mentality. We are in a very different place now; we cannot have everything and deliver it ourselves.

[46] **Mark Isherwood:** Some things can be delivered like that.

[47] **Carl Sargeant:** Some things can be, of course.

[48] **Mike Hedges:** I will preface my questions by saying that I support the collaboration agenda. However, I would like to raise two points on this. One is that, following local government reorganisation, a great deal of collaboration took place between local authorities, but much of it fell apart. It fell apart because they could not agree on the share of the costs between the different authorities. How will you overcome that? Are you going to have an arbitration system?

[49] Secondly, you may remember that the Assembly brought in a pooled budget system some time ago for health and social services, and that had the same problem. I served on a health board at the time, and they thought that they had social services money to use, but I also served in social services, where they thought they had health money to use. Rather than seeing it as pooled, they just thought that they had somebody else's money to add to their own. It does come back to money, and despite the relatively good settlement for local government from the Welsh Assembly Government, the overall budget position means that we are still in a difficult situation. How do you overcome the problem of people being prepared to share properly rather than seeing it as an opportunity to take from somebody else?

[50] **Carl Sargeant:** I have not met anyone who did not believe that the collaboration agenda is right. I have met many who say that, but actually delivering it is a different matter. That is partly down to some of the reasons that you bring to the table, Mike, about releasing some of that power base. I must say, Chair, I am really pleased with the progress made with the public sector leadership group. We have people around the table—and even people who do not sit at the table but who are very much part of the agenda—who have opened their minds to a different way of working. It would be fair to say, Mike, that, previously, pooled budgets were about what you could get as opposed to what you could give. I think that that has changed. The leaders I have sitting around that table have all grown up to the fact that they may not be the ones who are right to deliver the service. Again, we are seeing new opportunities being presented and they are saying, 'Actually, it doesn't make sense for us to do it'. Despite the police being a non-devolved function, they are actually very good at this.

Carmel Napier has said that they are probably not best placed to deliver services relating to domestic abuse and violence against women but that the third sector is. She has asked, ‘How are we going to support them to deliver these models?’

[51] I recognise the issues you raise, and it would be wrong of me to say that that attitude was not still there in some areas. Broadly, however, the support I am getting from authority and public sector leaders throughout Wales is excellent in terms of driving this agenda forward. Generally, this collaboration is all based on working relationships. It works if you trust each other enough to say, ‘I am happy not to do it, but I know that you’ll deliver it for us, and this is the way we will do it. I am happy to release that money—all I want is a good service at the end of the day’. It is not about taking away people’s responsibilities or taking away scrutiny; it is about focusing on what we want to deliver and how we want to do that. However, I am really encouraged by the leadership we have around the PSLG table. It is doing a great job. It is just about pushing that agenda really hard now so that we get key deliveries.

[52] **Ann Jones:** Okay, thank you. We will move on to discuss electoral reviews. Peter, Gwyn and Mike have questions on this section, and anyone else is welcome to ask a question on this.

[53] **Peter Black:** You have announced that you are consulting on deferring the local council elections from 2016 to 2017.

[54] **Carl Sargeant:** I have made an announcement on that.

[55] **Peter Black:** Are you not consulting?

[56] **Carl Sargeant:** I have consulted. That question threw me, then. [*Laughter.*]

[57] **Peter Black:** Okay, that is fine. You are going to defer that election.

[58] **Carl Sargeant:** Yes.

[59] **Peter Black:** At the moment, we do not know whether the National Assembly will go into a permanent five-year cycle in the same way as the UK Parliament. However, if the UK Government decides that the Assembly elections will be on a five-year cycle, would you then consider moving the council elections in a similar way to avoid future clashes?

[60] **Carl Sargeant:** That would be a consideration for me, yes.

[61] **Peter Black:** Would you use the local government democracy and elections Bill that is due at the end of this year to do that?

[62] **Carl Sargeant:** Once again, we are drafting what might be in the White Paper for consultation, so the electoral cycle may be included in that. I am keen to understand the legislative competence of the Assembly with regard to elections. We are working through what might be presented in that paper, but of course that is subject to our receiving more clarity regarding future Assembly elections. I do not want—and I am sure that no Minister wants—to chop and change between four and five-year terms. People need to understand in the long term what this is about. I made my decision on these local government elections the day before yesterday, but in the longer term we need some clarity about the electoral cycle of Parliament, the Assembly and local government. It makes sense, and it is certainly something I would consider for the local government democracy and elections Bill.

[63] **Peter Black:** Have you had any indication of when the UK Government will make

that decision?

[64] **Carl Sargeant:** No.

[65] **Gwyn R. Price:** Could you explain how the Bill will address the issues identified in the Mathias review? Are you still on schedule to introduce this Bill before the end of 2012?

[66] **Carl Sargeant:** We will be producing a White Paper for consultation and that will contain matters resulting from the Mathias review, such as elections and the way they are dealt with. That is still on schedule. The First Minister is very keen that, regardless of all the other issues—which are also important—our legislation is on track, and I dare not deviate from that. So, when I say that I will deliver it then, I am certainly trying my best to make sure that it is there.

[67] **Gwyn R. Price:** You will not cross him.

[68] **Carl Sargeant:** No, it is not a good move.

[69] **Mike Hedges:** I agree with Peter that it is very important that we do not have to make changes to the electoral cycle every 20 years. I do not think that it is fair on anyone and I hope that you will consider that. My question is on the electoral reviews. When will they start up again and when do you expect them to be completed? More importantly, what advice will you give on single and multi-member wards to authorities outside Anglesey?

[70] **Carl Sargeant:** I am still considering the detail on multi-member and single-member wards. I will be having some further discussions with the Boundary Commission and my team about that and I will, of course, issue them with instructions at the appropriate time. However, there will probably be new instructions to the new Boundary Commission as and when those changes take place. You will be aware that Anglesey was a very different case and we have had many debates about Anglesey, Chair.

[71] **Ann Jones:** There are a couple more issues relating to local government and then I think that we need to move on to discuss other issues in your portfolio. Do you have an update on what has happened with regard to equal pay settlements in local government since you were last before the committee in October?

10.00 a.m.

[72] **Carl Sargeant:** In terms of equal pay?

[73] **Ann Jones:** Yes.

[74] **Carl Sargeant:** My team might have some numbers. This is a regular question, so I think we came prepared.

[75] **Ann Jones:** Am I that predictable? [*Laughter.*]

[76] **Carl Sargeant:** Both my officials have the figures.

[77] **Dr Milligan:** We have the detail here for you. Seven authorities have obtained collective agreement on single status and have implemented, or are implementing now, new pay and grading packages. Those are: Caerphilly, Cardiff, Gwynedd, Monmouthshire, Neath Port Talbot, Torfaen and Wrexham. Five authorities are imposing single status without collective agreement and those are Denbighshire, Carmarthenshire, Conwy, Merthyr and Rhondda Cynon Taf. The Vale of Glamorgan recently obtained a 'yes' vote in a ballot on the

single status package and they are going to proceed on that basis. All other authorities, except possibly Newport and Anglesey, have substantially finished the underpinning job evaluation exercises. They are at the various stages of negotiating the final pay package they will offer, so, to complete the picture, those are: Blaenau Gwent, Bridgend, Ceredigion, Flintshire, Pembrokeshire, Powys and Swansea.

[78] **Ann Jones:** Substantial money went in from Welsh Government to do this. Do you share my disappointment that there are some authorities that, even having had that money, are now imposing this rather than operating through a collective agreement?

[79] **Carl Sargeant:** I would probably not be drawn into the local democracy of a local authority, Chair, but you have valid views, I am sure.

[80] **Ann Jones:** Is there anybody else with a question on equal pay?

[81] **Mark Isherwood:** What guidance did the Welsh Government provide to local authorities to help them develop schemes with minimal errors and maximum deliverability in accordance with law and human rights? I am conscious that some authorities—I will not name them—have repeated mistakes previously made by neighbouring authorities and had to go back to the drawing board accordingly rather than learning from those authorities. I am also conscious that in an earlier Assembly, the Committee on Equality of Opportunity undertook a review of single status. We teased out a huge amount of information about law and practice and legal precedent, and yet, when I have spoken to some individuals in councils, they have denied knowledge of this. What role has the Welsh Government played to try to inform them at the outset before they repeat the mistakes made by others in the past?

[82] **Carl Sargeant:** It would be fair to say—and I have given evidence on this on several occasions—that it is a highly complex issue. We have been driving this agenda very hard with the expectation on local authorities to deliver. We have issued guidance, but notwithstanding that, Mark—as I may have mentioned at the last committee, although I am certainly not one to defend local authorities in taking this forward—they are increasingly subject to secondary claims. It is very difficult when you think that you have gone through the heartache of single status and equal pay in terms of winners and losers—and there are losers, which is not easy for local authorities or the individuals to deal with—and a whole new legal challenge comes in on secondary claims and you have to start the whole process again.

[83] This is very risky, but I said at the last committee that the complexities around legal challenge do not defer the responsibility of a local authority to complete this exercise. I fully understand that it is difficult to deliver; we have issued guidance and provided support. Again, I would expect the Welsh Local Government Association, as the lead umbrella body for local authorities, to work with authorities that have not yet completed. I would say that some of the ones that completed early were very lucky in terms of some of their legal challenges, but they probably made the right decision. Some of the ones that are looking towards the end are probably more in the spotlight now than the ones that went first. However, the legal challenge is not an excuse for not completing either.

[84] **Ann Jones:** I have questions from Peter, Mike and Joyce on equal pay. Please keep your questions short and, Minister, please answer briefly.

[85] **Peter Black:** Sure. I think that the complexity is one of the reasons why some local authorities are imposing agreements. I do not think that it is a funding issue. However, I think there are funding issues regarding the transition and how long you have a transition period for. There has been an issue around Bridgend, for example. I wonder whether you have been encouraging local authorities to try to capitalise costs to get an adequate transition period.

[86] **Carl Sargeant:** Yes.

[87] **Ann Jones:** I did not mean that briefly, but well done.

[88] **Mike Hedges:** Peter has just asked my question.

[89] **Joyce Watson:** Two of the authorities that are at the ‘underpinning stage’, to quote you, Minister, are in my area. I am hugely disappointed, because I used to ask questions of one of them about this when I was a councillor, and I have not been there for five years. What sort of pressure are you bringing to bear on people to complete a process that, in my opinion, should have been finished a long time ago? Is it likely that the Westminster Government’s announcement and attack on pay in local government could be used as an excuse not to see this through?

[90] **Carl Sargeant:** I will try to respond very briefly to the two questions. The first one is about what have I done. I have written to all local authorities that have not completed and said ‘Look, this has to be a genuine agenda item for change’. However, as I said earlier, and I am not defending local authorities, this is highly complex. I do not think it is about any authority not wanting to complete. It is about the complexity of getting there, the threat of legal challenge and the scale of the workforce versus the cost to deliver this scheme. What we have provided is the opportunity for capitalisation, as Peter and Mike alluded to. It is not always about the finances, but there is a quantum that you have to fully understand with regard to the pot of money required to complete this and what the deal is. In terms of changes to pay and terms and conditions by the Westminster Government, I have not given that any real thought. I would hope that that would not be the case. However, I will commit, Chair, to writing again to the authorities that have yet to complete to seek their predicted timelines and I will share their answers with the committee.

[91] **Ann Jones:** Rhodri Glyn wanted to bring another issue up and Mike still has another issue to bring up.

[92] **Rhodri Glyn Thomas:** Weinidog, **Rhodri Glyn Thomas:** Minister, I would be buaswn yn falch o gael diweddariad ar y glad to receive an update on the process of broses o ddiwygio cyngor partneriaeth reforming the partnership council of Wales. Cymru.

[93] **Carl Sargeant:** We undertook a formal review of the partnership council last year. In fact, we undertook a review of the whole structure of relationships between us and local government. The partnership council was just one of them. It was becoming clear that the partnership council was a meeting of leaders or representatives that came to see me on a regular basis and we would have a nice discussion and go away. It was nice, but I think that they would agree that it was getting to be pretty pointless. I have tried to restructure the new partnership council, and new members will be invited to attend following the May elections. I wanted to give the partnership council some teeth, really. If we are going to have a meeting, let us have a meeting that is going to do something, as opposed to just having a nice meeting. We have taken legislative steps to improve the role of the partnership council by bringing in the health boards as well, so it is representative of a true partnership. If we are talking about what was happening with the public service leadership group with regard to delivery, the partnership council is now part of that and is testing that delivery to ensure that it has the political mandate to take forward some of the issues around the Simpson agenda and compact. That is where the discussions and changes will take place. So, I believe that we are well on track. The new partnership council will be under way after May, with a new membership, possibly, and it will have a different type of role in terms of the way that it operates. It will be about decision-making processes as opposed to the members coming to me to tell me what they have or what they do not have.

[94] **Rhodri Glyn Thomas:** Gadeirydd, rwy'n credu y gallai bod yn ddefnyddiol inni gael adroddiad blynyddol ar y cyngor partneriaeth ac, ymhen rhyw flwyddyn, efallai, pan fydd y cyngor wedi'i ddiwygio, cael cyfle i gyfarfod. Hwyrach y byddai'n ddefnyddiol pe bai'r Gweinidog yn gallu dod yn ôl atom i adrodd am y datblygiadau.

Rhodri Glyn Thomas: Chair, I think that it would be useful for us to get an annual report from the partnership council and, in a year, maybe, after the council has been reformed, to have an opportunity to meet. Perhaps it would be useful if the Minister could come back to us to report on developments.

[95] **Carl Sargeant:** I am not opposed to coming back and telling you how it is going. What is key is that the partnership council produces accessible minutes. I am more than happy to give you a progress update if that would be helpful, Chair.

[96] **Ann Jones:** That would be helpful.

[97] **Mike Hedges:** On transparency in local government, one of the problems that has happened with the changes to local government and the cabinet system is that an awful lot of decisions that used to be in the public domain are no longer in the public domain. I sat on an estates committee, which decided to sell 50 items. The committee put that in the public domain, but that would no longer happen. On the partnership council, it was set up under the Government of Wales Act 1998 as a statutory forum, and it was laid down that there would have to be meetings between local government and the National Assembly for Wales. Have there been any further changes to its statutory position?

[98] **Carl Sargeant:** Only the addition of the local health board member. It is still in the statute, which is why we still have it. However, because it is in statute, we should ensure that it works. I believe that the old-style partnership council had had its day. As it is in statute, we had to do something to ensure that it works now, and that is what we have done.

[99] **Mark Isherwood:** Just to return to job evaluation, and equal pay for equal work, the job ranking under pay levels are done separately. So, you rank equal pay for equal work, but the job pay will be based on a basket of jobs, and it is how wide or narrow that basket that determines what pay levels are then attributed to the jobs deserving equal pay. So, it is a different stage.

[100] On the issue of transparency in local government, what consideration has the Government given to the issues highlighted in recent petitions to the Petitions Committee in respect of publishing expenditure over £500 and the filming of council meetings?

[101] **Carl Sargeant:** I attended the Petitions Committee, and the arguments around the £500 delegated figure were well-rehearsed. I am happy for local authorities to do that if they wish, but I will not be introducing legislation on it. I would also encourage local authorities to film council meetings. As I said to the Petitions Committee, we film our meetings here, so I do not see a problem with it happening in councils, but I will not be issuing any legislation or statutory guidance around that. It is a matter for them.

[102] **Ann Jones:** We have spent three quarters of an hour on local government, and we have not even touched on any of your other responsibilities. We will now move away from local government. If Members have any further points that they want to raise, we can always write to the Minister. We will move on to communities. Joyce has a question, and then Ken has one on Communities First.

[103] **Joyce Watson:** Minister, now that you have disbanded the cross-Government working group, how is the Welsh Government working with the UK Government to tackle

domestic abuse and violence against women, as well as trafficking?

10.15 a.m.

[104] **Carl Sargeant:** I would like to focus on what the Welsh Government is doing as opposed to what the UK Government is doing, although I recognise that, as a part of the union, we have to operate together to the best of our ability. I have recently written to all the administrations in England, Scotland and Northern Ireland on trafficking, in which I know you have an interest. I think that we are leading the way with the anti-human-trafficking co-ordinator. The Welsh Government's position is well-documented in terms of tackling violence against women, domestic abuse and trafficking. My position is well-documented, but, more importantly, the actions of the Welsh Government are recognised. We have to continue working and see how we can build on what has happened in other parts of the union and beyond, in respect of the European Union. There are things that we need to tackle, particularly around the trafficking of people in this day and age, which is not appropriate. I will continue to engage with all sectors, as and when I can.

[105] **Ann Jones:** Ken will now ask a question on Communities First, and then I will bring in other Members.

[106] **Kenneth Skates:** When do you expect to approve the new Communities First clusters, and how will you ensure that the focus remains on the most deprived 10% of communities?

[107] **Carl Sargeant:** I am aiming to have all of the clusters in place by 1 October. It is really important that we progress this, in terms of shaping the new scheme. It is also important to give security to those operating within the scheme—staff and volunteers. We need to ensure that they know where they are in taking this forward. It would be fair to say that there are already some really good areas starting to consider applying for a cluster. I am encouraged by the enthusiasm to deliver this. The really important point that you made was in relation to the 10% target. That is a key feature of the cluster areas. Only areas that are beyond the required level—20% and 30% in the index of multiple deprivation—will have a hook for inclusion in a cluster scheme. If we do not have a 10% lead, that will not be part of the damping down or weakening of the project. My team and I, as well as the clusters, understand that the 10% hook is the target group that we need to address.

[108] As I said, we have some that are ready to run. There are some organisations—and I do not know whether this is about a lack of capacity or will—that are still reluctant or are less willing to move along in this journey. However, I will be very clear about this: I hope that all of the new partnerships and clusters will be in place by 1 October.

[109] **Kenneth Skates:** Great. How will the new Communities First programme be monitored?

[110] **Carl Sargeant:** This has been part of the process since the auditor general made recommendations on the old scheme. That is part of the reason why we have changed the way in which this operates, in terms of trying to understand accountability. We have some results-based accounting, and we are doing some training with the organisations so that they fully understand what we expect of them. I have always said that it is very difficult to measure some community outcomes, as many people around the table will be aware. I can relate a very personal account, where a lady came to me and said that Communities First had saved her life. I cannot measure that financially. I do not think that anyone can. However, it made a real difference to her, her family and her community. Nevertheless, there are expectations. We are asking for some key drivers around education, health and poverty. The results-based accounting will be undertaken around those issues and how that can be demonstrated. At the

appropriate time, I will be more than happy to provide some more detail on exactly what that is. When we allocate the clusters, I will be happy to furnish the committee with that information, along with a more comprehensive paper on outcomes and results.

[111] **Ann Jones:** I will now bring in Mike, who will also address Communities First.

[112] **Mike Hedges:** I support Communities First very strongly, and I think that the clusters are an excellent idea. The only problem relates to the use of census districts. Looking at Julie James's constituency, one street in Sketty park is left out. It is in a cluster in a very affluent area. In my constituency, I have an area around Heol Ddu and Mynydd Newydd Road, with a number of very expensive properties, that is included. If people can make a good case for adding streets and taking streets out, could that be done? Under the old system, we had a barrister and a Member of Parliament who lived in a Communities First area because of how the boundary was set up, which was ridiculous. The idea is right, the 10% is getting most people, but there is the odd street either side that should be included or left out. Will the Minister accept people making representations? If you looked at the developments, you would see what ought to be in and what ought to be out. Will you accept representations?

[113] **Carl Sargeant:** Yes, and that is part of the reason why we changed the project. Defined hard boundaries did not work. Some 50% of people who lived in Communities First areas did not need it. So, there was another 50% outside of those areas somewhere. The flexibility within the scheme, around the 10%, 20% and 30% thresholds, gives local authorities the opportunity to include other areas in the scheme, but it has to be hooked on the basis of 10%. I will not change the Communities First programme from an anti-poverty programme to a general funding programme for authorities. I know that that is not what you are asking. I recognise that there are issues with streets outside the 10% area that should be included in the support, and I have given some authorities flexibility around that. However, I have had some authorities asking for their whole authority area to be included in the programme, and that is not going to happen. Nevertheless, I am more than happy to have a dialogue about what that flexibility means. We are starting to get to a situation of people understanding fully what the new programme is.

[114] **Mark Isherwood:** On the future of grant-recipient-body status—which will presumably continue to lie with the Communities First partnership or with another body if it is deemed that the partnership does not have sufficient professional skills available to it—how will you ensure a clear demarcation between management of finance and human resources and operational independence within the partnership in the future, so that local authorities cannot start directing resources to suit their own projects?

[115] **Carl Sargeant:** That is part of the tension around what should be the grant recipient body. There is dialogue with partnerships that are currently the GRBs where there may be transition to the local authority being a cluster GRB. There is friction there, and it is to do with the trust element. I know that it does not always work as easily as that, but it is about trying to build that relationship up. From the centre, we are trying to ensure that we have due diligence in the GRB. You will be very aware of that. This is a huge project and, as we have seen, there are bigger risks than normal in this business in some of our more deprived communities. When you are handing over millions of pounds, there are significant risks. We are trying to build it into the system that the GRB is the right place, with the right checks and balances and the correct governance arrangements, to deal with finances and the probity of dealing with public money. That is very different to service delivery at the front end. We are ensuring that there is clear demarcation between the two. However, it does not come without risks, whether they are in Communities First or in the local authority. There are always risks and some businesses are riskier than others. We are trying to ensure that we have due diligence in place before we allocate GRB status.

[116] **Peter Black:** On substance misuse, you will know that, in terms of the health budget, a plethora of statistics are published on a regular basis that enable you to measure outcomes—sometimes I think that Ministers do not want to see all of those published. However, in terms of the substance misuse agenda, it is very difficult to put your finger on similar statistics being published on a regular basis so that you can measure outcomes and how the money that is being spent is being delivered. Are you looking at any changes to enable that sort of scrutiny to be undertaken?

[117] **Carl Sargeant:** Healthcare Inspectorate Wales has just compiled a report on substance misuse. It was a positive report, but there are some elements of weakness in there. I am very keen, across my whole portfolio, to take the approach that, just because you have done something for 10 or 12 years, although it may have been right then, it may not be right in future. I am constantly testing my department, asking whether we are focusing on the right areas at the right times. The Healthcare Inspectorate Wales report has been helpful as an independent study to show where we have got things right or where we could do things better. I am not afraid of criticism, because I think that we learn something from it.

[118] **Peter Black:** I accept that and I accept that that report is there, but I am looking for a regular statistical release that will enable you to monitor waiting times in particular and identify weaknesses that you can tackle on that basis—similar to the health statistics that are put out now. It seems to me that that would strengthen the whole agenda.

[119] **Carl Sargeant:** The waiting time statistics are published. If there are any specifics, Peter, with regard to what detail you would find valuable, I would be more than happy to look at that. We might learn something from that as well. I will be more than happy to respond if there is something specific that you would like to test me on. However, I cannot provide a general review of that, because we already have statistical data built in. You may not have seen those or—

[120] **Peter Black:** They are not as accessible as they could be. I will e-mail you.

[121] **Carl Sargeant:** Okay.

[122] **Mark Isherwood:** I appreciate that time is short and that you may want to give us a note on this matter, but could we have an update on progress on the planned proposals for tier 4? I am conscious that the main charities working and delivering in the field have now formed their own coalition, which was launched at the National Eisteddfod last year, and that is positive. Linked to that, there are the dual diagnostic issues, where substance misuse is a symptom rather than the cause and there are other issues that require attention.

[123] **Carl Sargeant:** That is quite a complex issue, and things are moving quite quickly on that. I am more than happy to provide the Chair with a fuller note on that, if it would be helpful.

[124] **Ann Jones:** We are running out of time, but I just want to put one issue on the table. You have written to me, as Chair, on police community support officers, but we have not circulated a copy of the letter. Can you very briefly tell us where we are on that issue and how you envisage achieving consistency across Wales with those that you are funding?

[125] **Carl Sargeant:** The letter that you refer to, Chair, will inform Members of the current deployment and the deployment of officers for the future across the whole of Wales, and this includes the British Transport Police. I have visited all areas now with regard to the recruitment process. I was with a new PCSO, along with Joyce Watson, in Aberystwyth this week. I met this PCSO during training and again once the training had been delivered. We are on target for the 500. I am very pleased with the way that we have been working with the

police; this is a non-devolved function, but we are working very closely on this.

[126] The difficulty that we have—and I am pressing very hard on this—is that our Welsh Government 500 additional PCSOs are seen as additional, and that is very difficult when we are increasing on one end and there has been a decrease in staffing on the other. I can give the committee assurances that I will be funding 500 PCSOs and that they will be delivered through the police. What I cannot give an assurance of is that there will not be a decrease in numbers in policing and in police staff numbers. We know that there are reductions and that that is the consequence of the actions of another administration. However, I know that I will be investing in 500 new officers for Wales. That is well under way.

[127] **Ann Jones:** We have reached the end of our allotted time, and we have cantered through some issues aside from local government. There are still some questions that we need to ask, so we would like to write to you so that they can go on the record. There were questions on the armed forces, welfare reform, poverty and the fire and rescue service—which is dear to my heart but which we do not have time for. So, thank you for coming today.

10.30 a.m.

[128] If Members agree—and I do not know how you feel about it, Minister—we will scrutinise you on local government initially. We spent three quarters of an hour out of an hour's session on it, but we need to be fair to all the other elements of your portfolio. In future, perhaps we should consider holding a session on local government, because Members are interested in that and it accounts for the biggest slice of your budget allocation, and another scrutiny session on all of the other elements of your portfolio, so that we give all of them a fair hearing. There are areas that we have not touched on today.

[129] **Carl Sargeant:** Chair, I am grateful for the opportunity to come to committee. It is a unique occurrence for me to say that I am more than happy to come back again at some point.

[130] **Ann Jones:** It is because we are so nice.

[131] **Carl Sargeant:** The issues that you have just raised, such as the armed forces and the fire service, are as important to me as local government. It is a wide-ranging portfolio and I respect the fact that you have many other questions to ask. I am more than happy to have a session split between local government and other issues.

[132] **Ann Sargeant:** Thank you, Minister. We will now adjourn for five minutes.

*Gohiriwyd y cyfarfod rhwng 10.31 a.m. a 10.35 a.m.
The meeting adjourned between 10.31 a.m. and 10.35 a.m.*

Sesiwn i Graffu ar Waith y Gweinidog—y Gweinidog Tai, Adfywio a Threftadaeth

Ministerial Scrutiny Session—Minister for Housing, Regeneration and Heritage

[133] **Ann Jones:** We will reconvene our meeting. If you switched on your mobile phone during the short break, please ensure that it is now switched off. We will continue with our ministerial scrutiny sessions. We have the Minister for Housing, Regeneration and Heritage here. Huw, you are very welcome to the committee. Would you like to introduce your officials or are they going to introduce themselves?

[134] **Mr Howells:** I am John Howells, the director of housing, regeneration and heritage.

[135] **Ms Palmer:** I am Kath Palmer, the deputy director of housing.

[136] **Ann Jones:** Thanks very much. We will see whether we can get through all the subjects in your portfolios. We sort of failed with the last Minister, but we will see how far we will get on this. We will go straight to questions, because Members have quite a few they would like to ask. Joyce, do you want to start?

[137] **Joyce Watson:** Good morning, Minister. I will start with housing, the housing Bill and the White Paper that has been produced. What steps are you taking in advance of the housing Bill being introduced to reverse the constant increase in homelessness?

[138] **The Minister for Housing, Regeneration and Heritage (Huw Lewis):** This is an issue that is concentrating my mind enormously. We are beginning to see homelessness figures in Wales going in the wrong direction for the first time in just about a decade, more or less. That is of enormous concern, particularly when you consider that the pressures that might lead to further increases in homelessness in Wales seem set only to increase. It is my sincere belief that the welfare benefit changes alone will introduce instability to the lives of thousands of families as regards the security of their housing up and down Wales. You combine that with the economic downturn in general, the threat of redundancy, the downward pressure on people's standard of living right across the board, pay freezes, greater indebtedness and so on, and it is almost a perfect storm in terms of the pressures we would assume would lead to greater homelessness.

[139] We have our 10-year homelessness plan, which we will continue with, and there are many front-line projects that we already fund and work with. Housing advice is central to this as well as bonds schemes, mediation schemes, shelters—at one end of the problem—outreach work and so on, and all that continues. In anticipation of the greater pressures that are coming, I have put an extra £1.5 million into the work that local authorities and Shelter are doing to work with tenants, in particular, on mitigating the problems that might come through the housing benefit changes. We are also starting to talk with a degree of urgency to the Council of Mortgage Lenders and Shelter, and it is a good, constructive conversation about best practice as regards possible repossessions and so on and the pressures that may be presented to us.

[140] It is difficult to quantify how much pressure people are going to come under. It is impossible, really, to come up with a figure, even if you delve deeply into the benefit changes, for exactly how many families might be pushed into a problematic situation. I was told by The Wallich homelessness charity in Bridgend that it anticipated that, in Bridgend alone, this might add up to thousands of families being pushed into a situation where, on the face of it, they could not afford their housing costs. It initially anticipated that that would lead to greater indebtedness, rather than an immediate homelessness threat, because people will try to hold on to their homes, as you and I would.

[141] At the centre of all of this, and what I have asked officials to particularly prepare for—through the White Paper, which will include proposals leading to the Bill—is the fact that we will have to raise our game considerably in relation to advice services across Wales. We will need a nationally consistent, high-quality advisory service surrounding all monetary issues, with a particular emphasis on stable and affordable housing, and people should be able to access that service much earlier than would necessarily be the case at the moment. It is easy to say that but it is difficult to construct that. However, the conversation around the White Paper in particular will give us the ideal opportunity to do that.

[142] **Mark Isherwood:** Between 1999 and 2004, there was a 121% rise in homelessness in Wales. There was a comparable situation in England. A number of actions were introduced to deal with that, one of which was the agreement of court protocols for mortgage repossessions. However, that has now broadened in recognition of the fact that many

repossessions affect tenants and not only as a result of tenants being in difficulty but as a result of landlords being in difficulty, meaning that the tenants have to pay the price for that. The court can recommend certain measures in such circumstances, such as an agreement that the tenant pays rent to the mortgagee. However, what action has the Welsh Government taken, or what action could it take, to reopen the possibility of such protocols and extend those to tenants who may be facing situations such as their landlord being in difficulty?

[143] **Huw Lewis:** All of these things are on the table. You rightly questioned me in Plenary yesterday about parallel issues concerning this conversation between tenants, landlords and other social agents that can be of assistance. I have seen examples of very good practice, particularly in relation to connecting landlords in the private rented sector to potential tenants who are benefit recipients or who may face some degree of instability as regards their housing prospects. It is about introducing an element of trust, which can be promoted only through good conversation. This is tied up with access services, bond schemes and so on; I have seen it work well in some places. The Welsh Government supports all of that kind of activity.

[144] We must move to a situation that is much more consistent across Wales, and we are going to have to raise the expectations of partners across the piece. Instead of relying on islands of good practice, we must first have an expectation across the Welsh housing scene that the private rented sector has a greater role to play; secondly, we must reassure landlords in relation to the services that might be offered to them and understand that providing advice for landlords is as legitimate a part of this discussion as is advice for tenants; and, thirdly, on a local level, we must try to foster trustworthy connections between good landlords, registered social landlords acting in a new way in terms of their access agency work, existing third sector organisations, which are already doing some good stuff on this, and local authorities. We must have a new system—however it may be constructed in each local authority area—that is more watertight so that people do not fall through the gaps as the pressures increase.

[145] **Mark Isherwood:** And these arrangements are needed with the courts.

[146] **Huw Lewis:** Yes, quite.

[147] **Joyce Watson:** You briefly mentioned that the private rented sector will have a role to play. How are you taking forward the recommendations in the Communities and Culture Committee report on making the most of the private rented sector?

[148] **Huw Lewis:** The starting gun for a great conversation on this will be fired when the White Paper is published, and I anticipate that that will happen towards the end of May.

10.45 a.m.

[149] Great conversations are already going on with landlords' associations, as well as with other actors in the drama, if you like—registered social landlords and local authorities. A great deal of work is going on behind the scenes, and I have to say that the conversations are almost universally positive. I would anticipate that we would see in the White Paper a commitment to greater regulation of the private rented sector, and almost certainly there would be options for the accreditation of landlords. However, there would be a quid pro quo in terms of our using that mechanism to raise the quality and the respectability of the private rented sector across the board, and there would be a quid pro quo for those who are landlords, or who are thinking of becoming landlords, in that this should be a less scary, less risky venture for them. Again, much of this would boil down to the provision of proper advice and support within communities. If we take the whole letting and management agency landscape out there as a case in point, I cannot see any reason why we should not open up that sort of work, first of all to registration and quality control, but secondly to potential new partners

such as housing associations, the social economy and local authorities, ensuring that smaller landlords and newer landlords in particular are supported into the sector.

[150] However you cut it, my available capital over the next few years means, very bluntly, that I will not be able to build social housing at such a rate that we can meet the predicted pressures that are going to be upon us. You add potential homelessness to that and you end up with a very toxic picture. The private rented sector has to grow, and I would like to see it grow in a healthy way, where quality and affordability are at the centre of what we do. That can only happen through a good conversation between potential landlords, existing landlords and other agents.

[151] **Ann Jones:** I will move on to the Welsh housing quality standard. I know that Gwyn has a specific question, and I think that others want to come in on that.

[152] **Gwyn R. Price:** Good morning, Minister. What steps are you taking to support the local authorities that have rejected stock transfer?

[153] **Huw Lewis:** We are in a very clear situation now with regard to the decisions that the public has made up and down Wales. We have obviously had the Flintshire and Caerphilly results relatively recently, which add to the total of areas voting 'no'. Those are now Swansea, Wrexham, the Vale of Glamorgan, Flintshire and Caerphilly. I would not like to lump those places together as being similar. They are not. From the perspective of the Welsh Government, we want the Welsh housing quality standard to be pursued. We do not want the pressure to let up. As far as I am concerned, as I have said many times before, this is a minimum civilised standard of accommodation, and the WHQS is something that we will demand of everyone, regardless of whether the votes locally were 'yes' or 'no'.

[154] When we drill a little deeper into the situation for those 'no'-voting authorities, you will find some that have a plan, and we will work with them on that, and frankly you will find a smaller group—pretty much three local authorities—that do not really have a discernible way forward with regard to meeting the WHQS. Those three are the ones on which we have to concentrate our attention in terms of being helpful and supportive but also very firm as the Welsh Government in our expectation that they will draw up a plan to meet the WHQS. This is tied up to some extent with the housing revenue account subsidy system, which means that all Welsh local authorities that still have housing stock are effectively sending more than £70 million a year back to Westminster because of this antiquated system—I think that it is pre-war—that we have inherited. We need to get out from under that. That will require those local authorities that are having difficulty seeing their way forward to concentrate their minds more than anyone. As a Welsh community of housing, we have to move forward to get ourselves free of that system. However, we will need to sit down with those remaining three local authorities, and a plan there must be. I have asked my officials to begin to get to grips with this. We have had the Flintshire result recently, which gives us a clear landscape of where local authorities sit, which will be pretty clear for the next few years. I want my officials to sit down with those local authorities as soon as is humanly possible, and we must have a plan. Everyone needs to be clear that the WHQS has not gone away and that the ballots just mean that a different route has to be followed.

[155] **Peter Black:** The system whereby we are paying money to Westminster is part of the HRA subsidy system that was put in place by a previous Welsh Assembly Government—

[156] **Huw Lewis:** No.

[157] **Peter Black:** It was part of a deal that was done with it, because—

[158] **Huw Lewis:** It was left alone as part of the deal.

[159] **Peter Black:** We are not part of the English subsidy system; we have our own subsidy system, whereby we pay money to Westminster—

[160] **Huw Lewis:** We were part of it at that time—

[161] **Peter Black:** However, we are not now—

[162] **Ann Jones:** Will you stop having a conversation? [*Laughter.*] Can you ask the Minister a question, to which he will respond?

[163] **Peter Black:** How far have the negotiations on the HRA subsidy system gone? What sort of sum are we looking at to buy ourselves out of that? In terms of the borrowing to meet that sum, is it cost-effective to do that, given the net loss or gain for local authorities?

[164] **Huw Lewis:** Peter, you will understand that there are things that I can say here and that there are things that I cannot. I can tell you that the initial negotiations have begun. Although they are at an early stage, on the face of it, those negotiations seem to be quite positive. There is a positive atmosphere between Welsh Government officials and the Treasury. I think that we are all agreed that this system cannot go on and that a resolution must be found. In terms of the sum, any negotiator who went around publicly saying what the potential horse trading between us, on behalf of Welsh local government, and the Treasury was and what numbers were being bandied about would be doing a silly thing. It would be a breach of the trust of the people who are putting a lot of professional goodwill into negotiations. Anyone with half an ounce of understanding of this situation would know that the sums would be considerable and that we would be talking about sums of money that are not to be sniffed at. At the same time, a situation whereby over £70 million a year is flowing the wrong way up the M4 is unsustainable and getting out from under this has to be worth it. From the Welsh Government perspective, we must have an agreement that means that all local government organisations in Wales are, essentially, better off as a result of the deal. I cannot sign up to a deal where any Welsh council would be worse off.

[165] **Mark Isherwood:** On HRA, I wonder whether you could clarify something. As I recall, last year, you issued a written statement to Members explaining that, if the HRA was repatriated to Wales, there could be a reduction elsewhere, as had happened in the English departmental budgets, where their effective removal of this HRA penalty had meant a comparable reduction in another departmental budget. Is that still your understanding?

[166] On WHQS, are you able to name the three local authorities? If you cannot, say so, but if you can, that would be helpful. I have heard that England is getting rid of the third option, which Wales never offered, namely the arm's-length management organisation. Are you considering that as an option for local authorities? For those authorities that have voted against, what options for borrowing remain, given that the previous Minister authorised only five Welsh authorities to undertake prudential borrowing for this purpose? What borrowing might be available to them to fill at least some of the gaps in the interim?

[167] **Huw Lewis:** They are very pertinent questions. In terms of the potential comparable reductions, if we get out from under the HRA subsidy and what implications that has for the rest of the Welsh block and so on, that will all form part of the negotiations on our exit from the HRA subsidy. I think that I would be right in saying that it is too early to say.

[168] **Ms Palmer:** I will just say a few things about the situation that we are in now. I have been chairing a steering group for the last couple of years, trying to exit the HRA subsidy and working with the Treasury. We have put a number of cases to Treasury officials, which they have turned down, so we are now in this buy-out situation. The buy-out would be on a total

sum of funding that the local authorities would then need to borrow from the Public Works Loan Board—hopefully at the best rates possible—to pay off that lump-sum figure. So, it should not affect Welsh Government budgets. It would be a deal between us and the Treasury in terms of calculating the total figure, but it would be the local authorities that would fund the buy-out figure, and what we are trying to do, obviously, is to keep the buy-out figure as low as possible so that local authorities will benefit from exiting the HRA subsidy system. Obviously, the Treasury wants the figure to be as high as possible so that it is neutral, and it then becomes a question of what the definition of that neutrality is, to be able to get this buy-out deal done. We are still working on that, and it is really important. We just have to keep on pushing at the door, which is opening slightly now that the Treasury is talking to us about this buy-out deal.

[169] **Huw Lewis:** It is critical that goodwill is maintained on both sides. As far as I can see, the UK Government is showing all the signs of also wanting to see this system modernised, because it is archaic and, in essence, silly. We need to move forward as quickly as we possibly can.

[170] Incidentally, I am quite happy to name the three local authorities that essentially had 'no' votes and other problems besides, including finding a discernible way forward for the future with regard to the WHQS. They are Swansea, Wrexham and Flintshire. I do not see any reason not to be upfront about that. There are 22 local authorities in Wales, and we are now down to three that really do not have a route-map towards the WHQS. In a way, this is potentially good news, to the extent that we have 19 that do have a route-map. However, these three local authorities need to know that no exception will be made for them.

[171] In that context, you mentioned other potential transfer models, Mark, and I would be very open, as the future unfolds, to suggestions, particularly if they come from local authorities, about other ways forward such as stock transfer models that have not been considered prior to this point or financial models that are based on borrowing that they might want to suggest and construct. We will work alongside them in trying to put those models together. It may not be that each of the three comes up with the same solution; they may be very different from each other, but that does not matter. What I am interested in is that capital starts to flow and that people's housing is improved.

[172] **Rhodri Glyn Thomas:** Rwyf am fynd yn ôl at system gymhorthdal y cyfrif refeniw tai. Rwy'n derbyn bod y mater yn un cymhleth, ac rwy'n derbyn yr hyn mae'r Gweinidog yn ei ddweud nad yw'n gallu datgelu union fanylion y negodi sy'n mynd rhagddo â'r Trysorlys ar hyn o bryd, ond mae'n ymddangos i mi ein bod wedi bod yn y sefyllfa hon, gyda'r trafodaethau hyn yn mynd rhagddynt, ers rhai blynyddoedd. Drwy gydol y cyfnod hwn, mae symiau enfawr o arian yn mynd i'r Trysorlys y gellid eu defnyddio yng Nghymru i fynd i'r afael â phroblemau sicrhau argaeledd tai cymdeithasol. A yw'r Gweinidog yn gallu rhoi unrhyw fath o awgrym ynghylch pryd mae'n credu y bydd y trafodaethau hyn yn dod i ben? O'r hyn a ddeallaf, nid oes llawer o symud ymlaen ar hyn o bryd.

Rhodri Glyn Thomas: I want to go back to the housing revenue account subsidy system. I accept that the matter is complicated, and I accept what the Minister says about being unable to disclose the precise details of the negotiations currently under way with the Treasury, but it seems to me that we have been in this position, with negotiations being under way, for some years. Throughout this time, vast sums of money have gone to the Treasury that could have been used in Wales to tackle the problems of securing social housing. Is the Minister able to give any kind of suggestion regarding when he sees these discussions coming to an end? My understanding is that there is not a lot of progress at the moment.

11.00 a.m.

[173] **Huw Lewis:** I assure Rhodri Glyn that they are moving. Discussions of some kind or another may have been going on for years, but I—together with my Westminster counterparts—have initiated the first proper negotiated sit-down to talk about the buy-out. That has never happened before. Sets of officials have never sat down at the same table with the figures and talked about how Wales can get out of this. I do not know what went before. I know that there has been a lot of concern about this for a long time. Was the first meeting held in February?

[174] **Ms Palmer:** Yes. There has been a lot of work on the HRA subsidy, looking at what other countries, such as Scotland, are doing with it. A couple of years ago, we were arguing for parity with Scotland. That was put to the Treasury and was turned down as an option for moving forward. The only thing that the Treasury would look at was an option that was similar to the English model of buying out. It has taken some time to collect evidence on how to get the best buy-out for the HRA subsidy. Prior to that, we were also looking at the different major repairs allowance systems between England and us. A lot of work has gone on behind the scenes in terms of being able to exit this complicated system. It is only now that we have got to the crux of being able to agree a way forward with the Treasury on the buy-out situation, and then being able to collect as much evidence as possible to be able to get the best buy-out.

[175] **Huw Lewis:** On the second part of your question, Rhodri, it is difficult because it is a negotiation. How long will it continue? I do not know. The ball is in Westminster's court and an initial offer has been made. Westminster could finish this system a week on Wednesday if it wanted to.

[176] **Mike Hedges:** I have two questions. First, who will do the buy-out; will it be the Welsh Government or the local authorities? Secondly, Mark Isherwood said earlier that three local authorities had voted against a transfer; can you confirm that it was not the local authorities that voted against, but local authority tenants? That is an important distinction.

[177] **Huw Lewis:** Yes, it is.

[178] **Ann Jones:** You do not have to answer that one; we are all agreed on that.

[179] **Huw Lewis:** Sorry, what was your first question, Mike?

[180] **Mike Hedges:** Who is going to pay—the Welsh Government or local authorities?

[181] **Huw Lewis:** It will have to be local government, financed through borrowing. The Welsh Government's role will be to ensure the best possible collective deal. We are bargaining collectively on behalf of Welsh local government to get the best deal that we can for it. The bottom line is that every local authority engaged in this needs to be better off and in a better financial situation than the one that they are in now. That should not be beyond the wit of man. We are bleeding money here—£73 million may not be a hell of a lot to George Osborne, but it is a lot in the Welsh housing scene. It is a lot of money. If we could repatriate that money, it would be good.

[182] You are right in saying that those 'no' votes are the democratically expressed choice of real people, and I respect that. We have to find a way forward while still respecting that expressed choice.

[183] **Ann Jones:** We must crack on at a quicker pace. Can we have sharper questions and sharper answers, please? Sorry, Minister. Joyce has a question on capital grants and then others want to come in on that issue.

[184] **Joyce Watson:** I want to bring some sunshine into the room—while we know that capital grants have been cut, the sunshine is that you have recently announced that £18.2 million will be made available for social housing grant programmes. So, what will you do with that money?

[185] **Huw Lewis:** I may well bring Kath in on some of the detail. The joy of housing—I should write a book called *The Joy of Housing*—

[186] **Ann Jones:** When you retire—in quite a few years' time.

[187] **Huw Lewis:** Yes, I will do that. The joy of housing is that, when capital presents itself, the professionalism, apart from anything else, of partners involved in social housing in Wales in particular is such that this can quickly be converted into real homes for real people. To put this in context, I am keen to see that as much of Wales as possible benefits from the £18.2 million extra. I will ask Kath if she wants to drill down into the detail on where and on what that money will be spent.

[188] **Ms Palmer:** I can give you some detail on that. The £18 million was split up between £9.26 million and £8.86 million. On the £9.26 million, 17 local authorities benefited from it with 20 schemes that should produce around 130 homes. On the £8.86 million, every local authority has benefited from it. Basically, the money has gone into the social housing grant, so it is allocated via the local authority in terms of strategic housing and it is spent by the registered social landlords and the housing associations. So, we were very pleased to have that additional money and it has certainly helped to increase the supply of social housing.

[189] **Peter Black:** Could I ask a supplementary question on that? If 130 homes will be provided from the £9.26 million, how many will be provided from the £8.86 million?

[190] **Ms Palmer:** I do not have an exact figure on that, but it would be slightly fewer than 130.

[191] **Peter Black:** It is spent in a traditional social housing grant way.

[192] **Ms Palmer:** Yes, it is; absolutely.

[193] **Huw Lewis:** It is nothing fancy, but it means that the anticipated capital reduction of around 30% that I was braced for at the start of this financial year has now been reduced to 8%. So, essentially, we have plugged the capital gap that could well have been yawning open before us at the beginning of the financial year.

[194] **Mark Isherwood:** How do you respond to the call by Community Housing Cymru, repeated on Tuesday when it launched its local government manifesto in the bay, for £122 million—perhaps net of the £18.1 million—to be made available from the additional capital, announced in the Chancellor's autumn statement, that is coming to Wales to restore us to previous levels, recognising that housing is key to economic regeneration and the Welsh Government's wider goals and agendas?

[195] **Huw Lewis:** Community Housing Cymru is making a positive case for housing, as would I, here, in the Cabinet and anywhere. It is right to emphasise the immediate gearing effect that investment in housing has in the wider employment and economic scene. It is quite right to say that; there is almost no form of capital investment that has quite the same impact as investment in housing in terms of speed and its multiplier effect.

[196] **Peter Black:** On capital grants generally, Community Housing Cymru has been

working for some considerable time on a bond issue, which appears to have run into the ground—it does not seem to have made much progress, but maybe you can reassure me that progress is being made. When would you envisage that bond issue taking place?

[197] **Huw Lewis:** The bond conversation is far from dead; this is still a live issue. We are in a much more difficult situation than when the conversation on the Welsh housing bond began. Perhaps, once again, I could turn to Kath on this point.

[198] **Ms Palmer:** It is difficult to put a timescale on it. We will be talking to CHC this afternoon, and one of the agenda items is the bond and how we can help support CHC and the housing associations to raise a bond for housing purposes. The problem with the bond is the scale of the financing. It is about getting the right scale and the right price for getting that bond issue out. It is not easy to achieve, but it is something on which we are working with CHC.

[199] **Ann Jones:** Thanks. We move on to empty homes. I know that Gwyn has a specific question on this and I know that other Members want to come in on the issue.

[200] **Gwyn R. Price:** Could you give us an update on the implementation of the houses to homes fund and details of how it will operate?

[201] **Huw Lewis:** I think that we need to be particularly proud of this. We are the first UK administration to try to get to grips with the problem of empty properties in a serious, co-ordinated and strategic fashion. There are around 22,000 of them in Wales. It is a recyclable loan fund, so it should be self-sustaining—given the effects of inflation, of course. An initial sum of £5 million has gone into this. Money will begin to go out of the door on 1 April. Local authorities have been asked to work in regional clusters with a co-ordinating authority at the centre of each cluster to ensure that the money is used. The money will be an interest-free loan for the owner to bring properties that have been empty for more than 12 months back into use for sale or rent, but not for owner-occupation—that is not allowed. It has to be for the release of the home into the sales or rental market. We are also encouraging housing associations and local authorities to work alongside those owners to look at the possibility of releasing the home into the affordable housing market. That offer will always be made. I have great hopes and expectations for the scheme. It will be the first one up and running in the UK as a country-wide scheme. The Scots have launched one this week, a few days after ours, but it is only one-fifth of the size of ours in terms of capital, so I am particularly proud.

[202] **Gwyn R. Price:** That is good news.

[203] **Peter Black:** How will the fund be accessed?

[204] **Huw Lewis:** Through the local authority.

[205] **Peter Black:** I very much welcome the fund, which I think is really important. However, there is a need for a wider co-ordination of an empty homes strategy, in addition to any extra powers you may want to take in the housing Bill. I have been saying for some time that there needs to be some sort of Wales-wide strategy on empty homes, which goes beyond just saying, 'Here's £5 million'. Are you working on an initiative of that sort?

[206] **Huw Lewis:** This scheme is not just about saying, 'Here's £5 million.' We are relying on the professionalism of local authorities to run this well on their own patch. That is why it will be no surprise to those who are close to this sort of work that the co-ordinating local authority in each cluster already has a good track record in getting empty properties back into use. What is critical at the centre of this is a good constructive conversation with the owner and willingness on the part of the local authority to track them down and have that

conversation. That is the first essential thing that has to happen. However, I remain cautious, and I am keen that we do not have money going out of the door that then leads to properties that are restored, but then stall in terms of being released either to the sales or the rental market. We do not want any property to be restored or refurbished and then sit there.

11.15 a.m.

[207] I will be monitoring this carefully as we go along. We have based the essentials of the scheme on a similar scheme run by Kent County Council, which showed good results; I think that it is called the No Use Empty scheme. Those fears did not materialise in Kent; it ran very well under the auspices of good officers in the county. We will keep a close eye on it. This scheme must continually be in motion, because we need the money to flow back into the fund so that we can send it back out of the door again. We do not want houses sticking in the system. I am aware that we are launching this in a much more difficult housing market than the buoyant market in which Kent County Council launched its scheme a few years ago. We do not have a buoyant housing market, so we will have to be careful about it. Your fears are not without some foundation, but I am confident that if we monitor things closely, we can keep the fund in motion.

[208] **Peter Black:** Going back to my original question, is the answer ‘no’?

[209] **Huw Lewis:** What was your original question?

[210] **Peter Black:** Are you going to have a wider housing strategy for empty homes?

[211] **Huw Lewis:** This is a wider housing strategy.

[212] **Peter Black:** It is not; it is about providing £5 million. Are you going to have a wider strategy, pulling together initiatives across Wales, with a comprehensive policy as to how you can bring those homes back into the system, or are you just going to put £5 million in the pot and say ‘get on with it’?

[213] **Huw Lewis:** This is a strategically constructed—*[Interruption.]*

[214] **Peter Black:** This is a cop-out.

[215] **Ann Jones:** Hang on, Peter; let the Minister answer.

[216] **Peter Black:** He is not answering the question; he is talking around it.

[217] **Huw Lewis:** This is the first strategic attempt in the whole of the UK to tackle the empty homes problem. Wales has done this first.

[218] **Peter Black:** Are you going to put forward a wider strategy, bringing together initiatives around the country and having a greater overview of bringing empty properties back into use?

[219] **Huw Lewis:** It is hard to see how we could have a more hands-on strategy on this.

[220] **Peter Black:** Clearly, you cannot see it.

[221] **Huw Lewis:** It would be interesting to see whether you have any alternative proposals, Peter.

[222] **Peter Black:** I have put forward proposals in the past.

- [223] **Huw Lewis:** I can certainly send you as much written detail on the scheme as I can.
- [224] **Peter Black:** Chair, the Minister has given me a lot of detail on the scheme. I want an answer to my question; is he going to have a wider strategic look at this issue?
- [225] **Ann Jones:** The Minister has said that he will write to the Chair and we will return to the issue when he has done so.
- [226] **Peter Black:** He has answered ‘no’ to my question, has he not?
- [227] **Huw Lewis:** I have given very full answers.
- [228] **Peter Black:** You have not answered the question at all; you have avoided it.
- [229] **Ann Jones:** I am eager to move on, and I will move on, because there are other Members who want to talk about other issues. We have not touched on the arts, culture, heritage or sport, which are all included in the Minister’s portfolio. We will wait for the Minister’s paper and will look at this issue again. Mike, you want to raise a point on co-operative housing.
- [230] **Mike Hedges:** Can you give us an update—it is probably best that it is in writing—on the progress that you are making on co-operative housing?
- [231] **Huw Lewis:** If the committee would like that breakdown in writing, I am happy to provide it. I can tell you that discussions are exciting and ongoing. As with all housing issues, there is no magical difference with co-operative housing; it involves bringing together capital with available land to build houses. That takes time, but I am confident that we will see this sector beginning to take off in the next 24 months.
- [232] **Mark Isherwood:** The Welsh Government funded a Shelter Cymru scheme; we need to know what happened with that. On the carrot-and-stick approach, there are some excellent empty homes officers and regionalisation of empty homes officer schemes; we need to know more about them. We also need to know more about the stick, namely the empty dwelling management orders under the Housing Act 2004, and whether you propose to develop that in devolved legislation. I appreciate that there is not enough time for that now.
- [233] Turning to assistance for first-time buyers, during most of my time in the industry we had shared ownership of various types, then low-cost home ownership and mortgage guarantee schemes for up to 95% right up to the early part of the last decade, when madness took over. What likelihood is there that the Welsh Government will launch a national mortgage indemnity scheme in addition to the schemes that some local authorities offer on a small scale? Will the Welsh Government ring-fence funding for low-cost home ownership? Homebuy is there, but there is no budget for it; it is up to local authorities to prioritise it within the social housing grant.
- [234] **Huw Lewis:** It is important to realise that we are not starting from scratch. Homebuy was given around £7 million to assist first-time buyers. I think that 300 first-time buyers were assisted through that scheme. We also have local authority mortgage schemes out there, which are still operating in some areas. We are taking a very close look at the NewBuy scheme that has been launched across the border. There may be options here for Wales to tag along with that larger scheme, or perhaps constructing one of our own. Those conversations and that planning are currently going on and the door is open. However, it is important that we get value for money out of such a scheme and that we do not necessarily, in a Welsh context, need to duplicate precisely what is going on over the border. The Scots have their

own model, and I think that we can afford to tweak this for our own purposes as well. It is also important to recognise that we have been doing this sort of work for quite some time.

[235] **Ann Jones:** I am going to move on. We have some questions on heritage, arts and sports that we need to have some answers to. Mike has a few questions on heritage.

[236] **Mike Hedges:** There is a large number of buildings in Wales. At some stage—I do not know whether the Minister would agree—someone will say that these buildings are so important, we will need to ensure that they will stay, so we will put funds in to ensure that they will stay. These buildings could be very nice and have historical significance, but they are of a lower importance and will need private sector or other organisations to fund them. Otherwise, do you think that we will spread jam too thinly and that some of the major buildings in Wales will be left empty?

[237] **Huw Lewis:** I have, as best as I can thus far, tried to engender—and I think that this culture change is happening anyway—a recognition within Cadw, in particular, that what really matters more than anything here is the searching for sensible end uses of property. That is the most important thing. Preservation is important and the protection of heritage is absolutely central, but the most important thing is finding the end use and a living use for buildings with heritage value in that regard. We need to push that principle a little further.

[238] We have the heritage Bill coming through the Welsh Government and Assembly's system in 2014-15, and an open-door conversation has been kicked off in the last few weeks about how people might want to see that constructed. There have been suggestions that we might need different levels of protection and that we might want to free up local authorities to have their own say in terms of built heritage that perhaps is not of national importance but it is of local importance and interest. You are quite right to say that the end point of all this is not to have ghost buildings that are just preserved in aspic and just sit there on the landscape without any kind of end use attached. Embedding the future of these buildings within communities is the absolute imperative. There will always be a tension around resources, obviously, and each building is different. However, if we keep that philosophy at the centre of things, I do not think that we will go far wrong.

[239] **Rhodri Glyn Thomas:** Weinidog, byddwch yn ymwybodol o'r adroddiad a baratowyd gan y Pwyllgor Cymunedau a Diwylliant yn y trydydd Cynulliad i hygyrchedd y celfyddydau a diwylliant yng Nghymru. Pa gamau penodol yr ydych wedi'u cymryd i ymateb i argymhellion yr adroddiad hwnnw?
Rhodri Glyn Thomas: Minister, you will be aware of the report that was prepared by the Communities and Culture Committee in the third Assembly that looked into accessibility of arts and culture in Wales. What specific steps have you taken to respond to the recommendations of that report?

[240] **Huw Lewis:** My recollection is that the Welsh Government accepted all of that report's recommendations—I think that I am correct in saying that. That is certainly something that I would want to honour. At the moment, my emphasis, in this regard, has been upon a robust wording within the remit letters of organisations, such as the arts council, the national library, museums and galleries and so on. I have been clear and have departed, to some extent, from the draft patterns of previous remit letters in that I have underscored, very deliberately, things like the need for each organisation to have a child poverty strategy and that their access policies have to be very robust, and so on. So, those remit letters have been strengthened, and that has been the emphasis of what I have been doing in this regard.

[241] **Rhodri Glyn Thomas:** Diolch yn fawr iawn, Weinidog. Byddwn yn dychwelyd at y mater hwnnw. Mae is-bwyllgor o'r
Rhodri Glyn Thomas: Thank you very much, Minister. We will be returning to this issue. A sub-committee of this committee is

pwyllgor hwn yn edrych ar rhai o'r materion hyn ar hyn o bryd, a byddwn yn cysylltu â chi maes o law. looking at some of these issues at present, and we will contact you in due course.

[242] **Huw Lewis:** Okay. I look forward to that.

[243] **Ann Jones:** Is there anyone else who wants to come in on the arts and culture? I see that there is not. We will therefore turn to sport, and to Ken.

[244] **Kenneth Skates:** Minister, I will try to keep my questions brief. Would you update the committee on the most recent developments on 'A Vision for Sport in Wales'?

[245] **Huw Lewis:** Yes, I can provide a brief outline. The twin aspects of this, in my mind are, first, the preparations for 2014 and the Commonwealth Games, namely the elite end of Welsh sport, if you like. I must congratulate Sport Wales and the partner organisations that it is working alongside, such as the governing bodies, in preparation for Glasgow 2014. There is a quiet confidence about Wales's ability to make a good impact at the top level. The other aspect of sport is community involvement, greater access for traditionally excluded groups and the involvement of more and more people. The document is very clear: this is something on which I want to place enormous emphasis, in terms of my own priorities. This involves day-to-day work and concentration, in conjunction with governing bodies, Sport Wales and local authorities. Time is short, but I could reel off a number of good examples of us being able to continue down this road and with this agenda. I will give you one example. One of the most fantastic statistics that I have read over the last 12 months is that participation in women's football in Wales has increased by 30%. So, special congratulations are due to the governing body, the Football Association of Wales, for its work with Sport Wales. We need to ensure that that kind of progress is maintained across the board.

[246] **Ann Jones:** I notice that you praised the FAW there. However, there are some issues that this committee will be returning to.

[247] **Huw Lewis:** This is a case of 'praise where it is due', Chair.

[248] **Ann Jones:** Yes, praise where praise is due. Does anyone else have a question on sport or any other issues? I see that Joyce does.

[249] **Joyce Watson:** Minister, you are right to say that it is great news that there is an increase in participation in one particular field. There is another issue that I know is out of your control, but I would certainly like to ask you to look at it, namely the way in which women are portrayed—or not, should I say—in articles on the pages of local newspapers. This happens nationally, too. I have done some work on this, and you do not see women in this context, quite frankly. It is important that we have role models, and we have had this discussion before. It is difficult for women or girls to have role models if there are none there.

[250] **Huw Lewis:** I think that we are all well aware of the UK-wide debate around the visibility of women's sport and physical activity. I hope that the self-evident worth of the points made by Joyce Watson and other commentators will have traction with the big players, like our broadcasting organisations and so on. I will undertake to ensure that this is on the agenda when I get together with ITV Wales, BBC Wales and so on. Joyce is very right to point out that the local press is as important as the national press in this regard. I am not aware that that conversation has really begun. So, I will take this point away from today's committee as something that the Welsh Government needs to consider and as something that is worthy of our time and effort.

[251] **Mike Hedges:** Would you consider producing a document for sports clubs in Wales

identifying the grants and other support available to them?

[252] **Mr Howells:** I am sure that all kinds of information are available. We will write to the committee with a list.

[253] **Mike Hedges:** Sports clubs often come and ask me where they can get money for certain things. I end up with lots of bits of paper from different places; could you produce a single document that I could hand over to them?

11.30 a.m.

[254] **Kenneth Skates:** In fairness, Sport Wales is just about to embark on quite a big drive along the lines that you suggest.

[255] **Huw Lewis:** We will write to the committee. There would be local variation because local authorities might have different schemes of their own that would vary from place to place, but we can certainly give what is available to the committee.

[256] **Ann Jones:** Does anyone else have any other questions? I see that you do not. Thank you very much, Minister, for coming here. We look forward to receiving a note on the empty homes strategy, which we will want to return to at another date. I am supposed to tell you that you will get a copy of the transcript to check it for accuracy, but you know that already.

11.31 a.m.

**Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r
Cyfarfod
Motion under Standing Order 17.42 to Resolve to Exclude the Public from the
Meeting**

[257] **Ann Jones:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42(vi).

[258] I see that the committee is in agreement.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 11.31 a.m.
The public part of the meeting ended at 11.31 a.m.*