

# **EDWINA HART – REPORT TO S J & R COMMITTEE – 2 July 2003**

## **Social Enterprise Action Plan**

It has been recognised that the development of social enterprises will assist with our broader agenda to regenerate our communities and spread economic well-being. In partnership with representatives of the Social Economy Network and the Wales Council for Voluntary Action, my officials have drafted for consultation a Social Enterprise Action Plan. I intend to launch the consultation later this month and committee members will of course be provided with copies. As part of the consultation process a series of regional events will be held during the autumn so that all interested parties can be included. A final action plan will be launched around the end of the year.

## **The Housing (Right to Acquire) (Designated Rural Areas and Designated Regions) (Amendment) (Wales) Order 2003**

Committee members will recall that the National Assembly made "The Housing (Right to Acquire and Right to Buy) (Designated Rural Areas and Designated Regions) (Wales) Order 2003" in January this year.

It was originally intended (by consultees and Plenary) that the Order would exclude the new tenants from exercising the Right to Acquire in National Parks and Areas of Outstanding Natural Beauty. However, due to an omission in the Order, tenants who took up occupation of properties in those areas after the new Order came into force (on 7 February 2003) were not, in fact, excluded from the Right to Acquire. The effect of the omission was, therefore, to create a situation which was the opposite of what the Assembly had intended when the matter was debated in Plenary on 14 January 2003.

In order to correct the situation as soon as possible a short amendment Order was made on 24 April via the Executive procedure and came into force on 25 April 2003.

## **The Housing (Right to Buy) (Priority of Charges) (Wales) Order 2003**

This draft Order is due to be considered by the Business Committee on 1 July under the accelerated procedure.

I have not sought to place the Order before the Social Justice and Regeneration Committee as the effect of the Instrument is very narrow and has no additional financial implications for local authorities, or other public sector bodies. However, I have written to SJR Committee members asking that any comments be made to their respective Business Managers before the Business Committee meeting on 1 July.

The National Assembly has made three similar Orders since 1999 concerning a total of 12 companies.

### **Supporting People Update: Accreditation of a Support Provider (ASP)**

All 22 local authorities are accredited and 31 RSLs and 20 voluntary organisations have also been successful in achieving ASP status with others working toward accreditation. Accreditation is an ongoing process and like all aspects of Supporting People, under ongoing review as the new arrangements bed in. We intend to use accreditation as a tool to continue to encourage the development of standards and quality assurance in the supported housing movement.

The Assembly Government recognises that for some providers, seeking accreditation is not an option because of limited administrative resources. Nevertheless, the Assembly Government values these organisations, as they offer a wealth of expertise and experience that would otherwise be lost to service users.

### **Progress with the Review of Core Funding of Voluntary Organisations Concerned with Homelessness**

At the Local Government and Housing Committee held on 7 February 2001 I informed Members to note the proposed review of core funding of two voluntary organisations (Caer Las Cymru and Shelter Cymru) under Section 180 of the Housing Act 1996. As a result Members asked to be kept informed of progress with the review.

We commissioned the University of Glamorgan to undertake a standard quinquennial review of the core funding and performance of the two organisations judged against our objectives in granting funding, and to make recommendations about future arrangements.

The key relevant recommendations were that:

- the importance of management funding is stressed by both organisations and confirmed by the research team. Such management funding could be kept in a separate fund or it could be incorporated into the S180 Project funding. The research team suggests that organisations in receipt of Core or management funding should contribute to national policy and be required to disseminate their learning on an all-Wales basis.

- both organisations currently send quantities of data to the Welsh Assembly Government. There is an opportunity to systemize and make more use of this.

Officials accept the thrust of these recommendations, and propose responding by:

- phasing out core funding and introducing a more consistent approach to inclusion of management costs in project bids (up to 10% of project costs in the first instance), so that it is equally available to all organisations;
- increasing security of funding through introducing continued project funding subject to meeting agreed objectives; and
- adding value by improving the collection and dissemination of project evaluation and good practice information arising from S180 projects (through a database on the website and possibly a programme of seminars).

The proposed way forward reflects a change in approach to the management of the whole S180 programme. We want to agree clear, measurable, objectives with all projects, and to monitor performance against these. Subject to satisfactory performance, continued funding would be assumed (i.e. no fresh bid required every 3 years). We would support this with a programme of on-site audits, visiting each organisation at least every five years.

Officials are already objective setting and monitoring arrangements for bond schemes, and have worked with the Legal Services Commission to develop common monitoring and quality assurance for housing advice projects. Over the course of 2003 they will apply the same approach to the remaining, more diverse projects that we currently fund. New projects for funding from April 2003 have these arrangements from the outset.

S180 priorities for future years will include the category of 'All Wales Schemes/Cross Boundary Working' to enable us to fund more strategic or innovative projects and umbrella organisations.

For the two core funded organisations (Caer Las Cymru and Shelter Cymru) I have frozen core funding at the 2002/03 level for 2003/04.

Officials are in the process of meeting with each organisation to determine, for 2004/05, what level of currently core funded management costs should properly be included with their existing project funding and which elements of currently core funded work might be reframed as bids for 'All Wales' projects or which provide an important contribution to the infrastructure of homelessness services.

**Interim report on the Welsh Household and Dwelling survey**

The Local Government Data Unit, which is managing the survey on behalf of the Welsh Assembly Government, have appointed MORI and NOP to conduct household surveys in 2004, 2005, and 2006 and to manage an inspection of the physical fabric of dwellings in 2004.

The first year of the household survey will focus mainly on housing issues with the following surveys broadening the topics covered. Each survey will be sufficient to provide results for Wales and, with two or three years data combined, results for the Economic Forc areas and Wales respectively.

Currently, MORI and NOP are planning the survey structure and questionnaire design. It is anticipated that the fieldwork for the 2004 household and physical surveys will commence in March 2004.

### **Presenting the "Preliminary Review of the Homebuy Scheme" to the Social Justice Committee.**

The National Housing Strategy commits the Welsh Assembly Government to review and develop existing low-cost home ownership schemes to ensure that they are relevant to local housing strategies. An all-Wales review will be undertaken later in 2003/04. In the meantime, in response to concerns about accessibility of affordable housing for local people in rural areas, I asked officials to review experience of using the Homebuy scheme to date and consider whether any changes might usefully be made to make the scheme more effective in meeting rural housing needs.

The review concludes that the Homebuy scheme is generally successful in helping households that would otherwise be unable to afford to meet their housing needs in the market, but cannot provide a solution to all rural housing needs. No significant changes to the existing scheme are recommended. I invite the committee to consider the report (Annex 1) and to let me have their comments.

### **Rough Sleepers Initiative**

The Rough Sleepers Initiative was a funding programme set up in the early 1990s to tackle rough sleeping in the major urban areas of England. It never applied to Wales, and the Initiative has since been subsumed into the work of the Homelessness Directorate of the ODPM.

The Assembly Government decided to take its own perspective on rough sleeping, first by commissioning a report on the problem in Wales, and then through the work of the Homelessness Commission which advised on rough sleeping within the general context of

tackling homelessness. In April 2003 the National Assembly adopted the national homelessness strategy which includes our objective to eliminate the need for anyone to sleep rough in Wales. We have also issued a revised Code of Guidance to local authorities which explains how they should work with partners to meet this objective at the local level. The Assembly Government is also supporting this local work through our homelessness grant programme, which funds a range of projects including night shelters, outreach support and day services for homelessness people.

## **Fuel Poverty Commitment for Wales**

At the SJ&R Meeting on 11 June I undertook to provide a note on the Fuel Poverty Strategy for Wales.

The eradication of 'fuel poverty' across Wales has been a long stated aim of the Welsh Assembly Government. Almost 220,000 homes in Wales can be classified as suffering from fuel poverty – that is any household which needs to spend more than 10 per cent of its total income on fuel to maintain satisfactory standard of heating. Our work in tackling the problem is well documented. Though schemes such as HEES we have helped improve the living conditions of over 27,000 householders and are well on course to achieve our Plan for Wales target of assisting 38,000 householders under the scheme by March 2004. However, there is a need to draw this work together strategically. To this end on 25 March I launched the Fuel Poverty Commitment for Wales.

The Commitment examines the scale of the problem within Wales and brings together all the relevant policies and initiatives to tackle the problem. The aim is the eradication of fuel poverty among vulnerable households, as far as is practicable, by 2010. It includes a further commitment to ensure that no household in Wales should live in fuel poverty by 2018.

This is a huge step forward in tackling the problem of fuel poverty. The Commitment builds on our work in the UK Fuel Poverty Strategy, published in November 2001, but goes further in considering the issues as they particularly relate to Wales.

The Commitment enables the Assembly to meet its obligations under the Warm Homes and Energy Conservation Act 2000, which commenced in Wales on 1 April 2002. This placed a responsibility on the Assembly to devise a comprehensive strategy which specifies a package of measures to tackle fuel poverty and which specifies a target date for achieving its objectives.

Following launch of the Commitment, we are now looking to build on this work, through the establishment of the Wales Fuel Poverty Advisory Group of organisations and individuals active in the field, who will be responsible for overseeing our work under the Commitment and considering what future action is needed to meet our fuel poverty objectives.

All Assembly Members will have received a copy of the Commitment, which is also available electronically on the Assembly's website.

## **Custom Officers**

Members will recall that I said I would investigate and report back on the reduction of Custom Officers at Welsh ports. I raised the matter when I met Don Touhig MP recently and I have written to him expressing the concerns of the Welsh Assembly Government about the proposed reorganisation of HM Custom and Excise officers in Wales and the lack of consultation with us. I will let you know his response.

I have had enquiries made of HM Customs and Excise and they advise that the way they operate is being reorganised in response to the increasingly sophisticated ways in which smugglers' work. They say that there is clear evidence that the majority of smuggled cigarettes and class A drugs enter South Wales via the motorway network from Bristol, the West Midlands and beyond. Rather than maintain the sort of Customs presence we are all familiar with at ports and airports, regional activity plans and deployments will be based on local tactical risk assessments and intelligence led targeting of criminal activity.

A Permanent Detection Intelligence presence will be maintained at Holyhead and in Cardiff. Elsewhere, customs activity at ports and airports in Wales will be by regular, flexible and unpredictable attendance, in variable numbers, from a contingent of around 100 staff based in South Wales and the West Midlands. Further support will be provided by teams from the National Strike Force. Similar changes are taking place in England but I remain concerned at the lack of consultation and the implications for job losses.

## **Rent Officer Service – update**

The staff of the Rent Officer Service transferred to the National Assembly on 1 June 2003. Accommodation is ready for occupation in Mold, Mamhilad and Carmarthen and new offices have been located in Caernarvon. Staff will be able to move when a new IT software package has been developed and tested. Hopefully this will be ready in the next few weeks.

## **Proposals for reform of housing benefit – Pathfinders**

The Department of Work and Pensions (DWP) have issued proposals for reform of housing benefit. These include the introduction of Standard Local Housing Allowances (SLHA). SLHAs will be piloted in 10 local authority Pathfinder areas in the UK including Conwy. Whilst housing benefit is not devolved, the outcome of the proposed reforms may have a wider impact on housing in Wales. I have therefore written to the Secretary of State for Social Security to request that the potential effect of SLHAs are accurately monitored and assessed because of the possible implications for other housing tenures in Wales.

## **Third Annual Report on Social Inclusion in Wales**

The draft "Annual Report on Social Inclusion in Wales 2003" was considered by the Local Government and Housing Committee on 5 March 2003. The Committee's comments were taken on board and amendments made to the draft . The finalised Report will be discussed in Plenary on 8 July.